

THE *Soybean Digest*

OFFICIAL PUBLICATION • AMERICAN SOYBEAN ASSOCIATION

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THE Soybean Digest

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IN THIS ISSUE

Editor's Desk	4
GEO. M. STRAYER	
Growers	6
The New Grant Variety	6
The New Plastic Margarine	8
J. P. HUGHES	
Late News	11
The National Soybean Crop Improvement Council	14
J. W. CALLAND	
Puts Processing on Business Basis	17
Profit and Loss and Futures Hedging	18
MORRIS BRAUN	
Crop Report	20
Publications	22
Sees Wider Use for Soy Derivatives	22
Feeding	22
Letters	23
New Products and Services	25
Grits and Flakes	26
Washington Digest	31
PORTER M. HEDGE	
Market Street	32
In the Markets	33
September Markets	36
Index to Volume 15	37

THE SOYBEAN DIGEST

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Objectives of the American Soybean Association include the bringing together of all persons interested in the production, distribution and utilization of soybeans; the collection and dissemination of the best available information relating to both the practical and scientific phases of the problems of increased yields coupled with lessened costs; the safe-guarding of production against diseases and insect pests; the promotion of the development of new varieties; the encouragement of the interest of federal and state governments and experiment stations; and the rendering of all possible services to the industry.

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EDITOR'S DESK

By GEO. M. STRAYER

ALL SHOULD RETURN TO NO. 2 BASIS In some areas processors and soybean buyers have been bidding on a dual basis, with the base bid for No. 2 and a premium being offered for No. 1 beans. In other areas buying is still on the old basis of No. 1. There seems to be little uniformity at this writing.

All soybean processors must eventually give due recognition to the psychology involved in discounts and premiums. No grower likes to be discounted. The man who does a good job likes to receive a premium for doing so. When bidding and buying are based on No. 1 beans there must always be discounts for higher foreign material and moisture.

Buying of other grains (if soybeans are a grain) is all based on the use of No. 2 grade as the basis. A premium is offered for No. 1 grade material. The seller expects a discount if his grain is of lower than average quality, and he expects a premium if his grain is better than average. That is as it should be.

The changes in federal grades, effective Sept. 1, call for higher quality. Foreign material content must be lower. The change was made to upgrade the general average quality of the crop, and to create a basis of payment of a premium for quality. It was requested by this Association on the assumption that the basis of trading would return to No. 2 beans. It should do so just as rapidly as possible.

Some buyers say they could not make the change—that many beans had been purchased by Sept. 1, the effective date. I would only like to remind them that a change was also made—on Sept. 25, 1953 when processors made the shift to the No. 1 basis of buying. If it could be done in 1953 it could be done in 1955. Or was the shoe on the other foot then? And thus the urgency much greater?

A word of commendation is due those processors who are bidding for both grades, with a reasonable spread between them. Others should join their lead.

BIG CROP PSYCHOLOGY BACKFIRED As has happened several times in the past decade, 1955-crop soybeans were greatly underpriced through the summer months. Due recognition was not given to the ravages of 100-degree temperatures and dry weather. The market sauntered merrily onward on the assumption that all was well.

Suddenly, in late September, buyers began to

recognize the true situation. Prices shot upward the limit one day, followed by other rises. Yield reports were lower than the advance estimates. Farmers were not selling. Late beans continued to take a beating from the forces of Mother Nature.

In the August issue I stated in this column, "We suggest you do not sell all your soybean crop until you know more about the prospects—with soybeans selling below support levels there is nothing to be gained by being too optimistic. It is hard to measure bushels in early August when they are on those bean plants in the field!"

Unquestionably the Aug. 11 prediction of 420 million bushels was way off base, for the crop was deteriorating rapidly at that time. The September estimate of 387.5 million now appears to have been too high. There are now those who predict a crop smaller than the 1954 crop of 342 million. Personally I have not seen anything to convince me that the figure will be that low.


But present estimates do place a vastly different outlook on meal and oil prices. The cheap protein we were talking about has disappeared. The need for soybean oil price supports went with it. The export buyer who gave greater recognition to world price levels and brought beans during the summer months for fall delivery is again the winner. Because we thought we had a big crop we went too far in depressing prices—and now they have backfired. Remember that phrase—"SOYBEANS ARE WORTH MORE MONEY?"

THE SOYBEAN COUNCIL SHAPING UP On the 20th of October the first meeting of the joint committee between the National Soybean Processors Association and the American Soybean Association will be held. The groundwork will be laid for industry-wide effort on those problems and prospects which should have industry-wide attention.

There will still be problems peculiar to the grower. The necessity of an adequately organized and financed organization to represent grower interests will be *even greater than ever before*. The necessity of a live virile organization to represent processor interests likewise will not have been lessened.

Neither group must dominate the Soybean Council. Both must contribute, and both must benefit. The efforts must be financial to all phases of our industry, and they must be for the general welfare of the nation if the program is to exist and grow through the years.

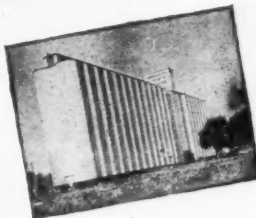
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GROWERS

Grant, a New Northern Variety

GRANT, a new high-yielding, high-oil-content soybean variety of early maturity in Northern areas, was announced by the U. S. Department of Agriculture and co-operating state agricultural experiment stations in Wisconsin, Minnesota, and South Dakota.

Adapted for production in central Minnesota and northeastern South Dakota, the new variety is the 16th developed in a period of about 15 years by federal-state cooperative breeding research for use in specific producing areas in the U. S.

The new variety is expected to help meet the needs for adapted varieties for rapidly expanding production of soybeans in the Northern states. Minnesota and South Dakota Agricultural Experiment Stations will release Grant seed to certified seed growers next spring. The increase in seed stocks thus obtained is expected to make adequate supplies available for planting in Minnesota and South Dakota in the 1957 season.

The maturity period for Grant is the same as for Mandarin (Ottawa), but three days earlier than Chippewa and four days later than Norchief. Its oil content (20.2 percent) is comparable to that of the Chippewa and Norchief varieties, and better than that of the Man-

darin (Ottawa). The latter variety is grown extensively in the areas for which Grant is adapted.

The new variety stems from a selection made in the F_6 generation in 1946 by C. O. Rydberg of the Wisconsin Experiment Station, Spooner, Wis. It is a selection from a cross between Lincoln and Seneca soybeans made by Dr. L. F. Williams in 1939 at the U. S. Regional Laboratory, Urbana, Ill.

In 1949, this selection was entered in cooperative uniform soybean tests and has been extensively evaluated since then by experiment stations in Minnesota, South Dakota, North Dakota, Wisconsin, Ohio, Michigan, Oregon, and Ontario. In these tests Grant has produced an average yield of 34.9 bushels per acre as compared with 32.2 bushels for Mandarin (Ottawa), 33.6 bushels for Chippewa, and 30.4 bushels for Norchief. In percentage of oil Grant has yielded 20.2 percent as compared with 19.7 for Mandarin (Ottawa), and 20.2 for Chippewa and Norchief.

Seed of the new variety will not be released by the Wisconsin Experiment Station because growers' needs are being adequately met in that state by Norchief and Chippewa, early varieties released last October.

Additional agronomic and chemical data for Grant and other varieties, over a 3-year period, 1952-1954, are summarized below.

Says Early Varieties Better Than Chemicals

THE RESULTS of three years' experimental work on pre-harvest drying of soybeans indicate that it may be more practical to advance the date of soybean harvest by growing earlier-maturing varieties and planting earlier in the spring than by using chemicals, according to Dr. Paul E. Smith, associate agronomist with the Arkansas Agricultural Experiment Station, in Arkansas Farm Research. In the tests, yields of soybeans were reduced as much as 16 percent when pre-harvest drying chemicals were applied.

Shed-A-Leaf spray was used as the desiccating agent. It was applied two weeks before normal maturity. Enough was applied to completely wet all foliage. The gallonage rate per acre varied according to the amount of foliage.

Three maturity groups were used. The varieties S-100 and Dorman represented group V (early); Ogden and Lee represented group VI (early midseason); and Roanoke represented group VII (late midseason).

Comparative yields in bushels per acre of chemically treated and untreated soybeans are given in the table. The average advance in date of harvest was six, eight, and two days, respectively, for groups V, VI, and VII. The average decrease in seed yields due to the use of the chemical was 16, 8, and 7 percent, respectively.

The effects of the pre-harvest drying chemicals on the chemical composition and germination of the seed

Variety	Mean yield								
No. of tests	Bu./A.	Maturity ¹	Lodging ²	Height inches	Seed quality ³	Seed per pound	Percentage of protein	Percentage of oil	
	33	21	23	32	31	32	36	36	
Grant	34.9	0	2.3	31	1.9	2785	39.9	20.2	
Chippewa	33.6	+3.0	1.8	33	2.0	3065	40.5	20.2	
Capital	32.8	+0.9	2.9	33	2.0	3385	40.4	20.3	
Renville	32.7	+2.7	1.7	31	2.2	2700	39.6	20.9	
Mandarin (Ottawa)	32.2	0	1.6	29	1.6	2350	41.6	19.7	
Norchief	30.4	-3.9	1.8	29	2.1	2720	40.8	20.2	
Flambeau	26.5	-6.6	3.0	29	2.4	2785	41.9	19.1	
Mean	31.7		2.2	31	2.0		40.6	20.0	

¹Days earlier (—) or later (+) than Mandarin (Ottawa). Mandarin (Ottawa) required 118 days to mature. ²From 1, erect, to 5, prostrate. ³From 1, excellent to 5, very poor.

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EFFECTS OF PRE-HARVEST DRYING CHEMICALS

Year	Group V		Group VI		Group VII	
	Treated	Untreated	Treated	Untreated	Treated	Untreated
	Maturity group and treatment					
	Yields in bushels per acre					
1951	20.1	25.0	22.7	26.3	23.1	24.5
1952	10.4	15.2	20.2	22.2	11.1	12.5
1953	12.9	11.6	19.8	19.7
3-yr. aver.	14.5	17.3	20.9	22.7	17.2 ¹	18.5 ¹
	Percent of oil					
1951	18.1	18.2	20.8	19.0	20.5	21.0
	Percent of protein					
1951	42.2	42.6	39.7	39.3	38.1	37.8
	Percent germination					
1951	92.7	92.5	93.0	92.0	82.6	73.0

¹ Two-year average.

were also studied in 1951. With the exception of the percent germination of the group VII soybeans, the chemical had very little effect on percentage of oil, protein, or germination (see table). The untreated plots in group VII were frosted, whereas the treated plots were harvested before frost, which accounts for the difference in germination.

Several advantages that have been claimed for the use of pre-harvest drying chemicals on soybeans were not studied in these experiments. They include (1) preventing the development of weed seeds, (2) easier combining of the beans, and (3) more uniform maturity of soybean fields.

There appears to be general agreement that the pre-harvest drying chemical cannot be applied earlier than one week before normal maturity without causing some reduction in seed yields.

Sees Further Expansion In Fat Export Market

SEVERAL things indicate that the U. S. export market for fats and oils will continue large and will expand further, according to T. A. Hieronymus in Illinois Farm Economics.

1—World production of edible fats per capita is still below prewar levels.

2—Outside of the U. S., population appears to be increasing faster than production of edible fats.

3—In many countries there is a pressure for better diets.

In India, oil exports have decreased because of population increase and pressure for better diets. In China, population has increased requiring more fats. But more importantly, China is attempting to industrialize and the hard labor involved cannot be done on the limited per capita supplies of food fats that China has had.

There are indications that Russia is seriously short of edible fats. She was able to obtain large amounts from China in 1953. This movement resulted in a food oil crisis in China and apparently no shipments have been made since. It is likely that a considerable amount of the cotton-

seed oil that the United States has exported in the past year has found its way indirectly to Russia or has replaced other kinds of food fats that have gone to Russia.

Two things seem clear: (1) we must export and (2) the world needs our surplus production. In order to export any commodity three conditions must be met: (1) there must be a need, (2) the importing countries must be able to pay, and (3) the price must be right. With fats and oils these conditions exist. Our exports in the crop year 1953-54 were large enough to reduce our total inventory by 150 million pounds. It appears that our inventories of edible fats and oils will be reduced by about 500 million pounds in 1954-55.

From 1951 to early 1954 under our cottonseed price support program we priced our fats and oils out of the world market, and huge inventories were built up. Since February 1954 we have priced these products in line with world prices and our "sur-

plus" is rapidly disappearing.

For the past year our exports have been greater than can be maintained from current production levels. It looks as if the world is basically short of fats and oils. This indicates rising oil prices as long as current high levels of economic activity are maintained.

Strayer on Special Mission to Japan

THE APPOINTMENT of Geo. M. Strayer, executive vice president of the American Soybean Association, as a marketing specialist in the fats and oils division on a temporary basis for a special agricultural mission in Asia, has been announced by the U. S. Department of Agriculture.

Strayer, who will leave in mid-October, will spend a minimum of a month in Japan, Hongkong and the Philippines surveying the market potential for American soybeans and soybean products.

Japan has been the largest single buyer of U. S. soybeans the past two years. Strayer will contact buyers of soybeans and soybean oil meal, since the Japanese are also large buyers of the latter commodity, and will discuss with them the handling of soybean exports and the problems involved.

He will be accompanied by Mrs. Strayer. They expect to return to the U. S. at the end of November.

Cautioned About Business Outlook!

The New York Stock Market moved into record high ground during the week of September 19, 1955. At that time the Leslie Analytical Organization wrote a comprehensive review of the general economic picture, business conditions, the stock market, and the possible influence of these factors on commodity prices during the new season. The final summary sentence read—"In our opinion this is a good year to avoid the accumulation of large inventories." Subscribers received this letter on Monday, September 26th. On that day the Dow-Jones Industrial Average dropped 31.89 points, the second largest decline of record. A decline of that magnitude indicates the seriousness of a number of basic maladjustments underlying today's business conditions.

In order that you may be ahead of your competitor in recognizing these conditions, understanding their influence on your business, in developing a program to utilize them to your best advantage, send in your subscription today. Letter number 570 will be sent to you immediately by return mail.

Your subscription will also entitle you to receive our estimate of the amount of soybeans placed under loan October 15, 1955. (Our September 15th estimate of wheat was 45.3 million bushels which compared with the U.S.D.A. report of 47.4 millions.)

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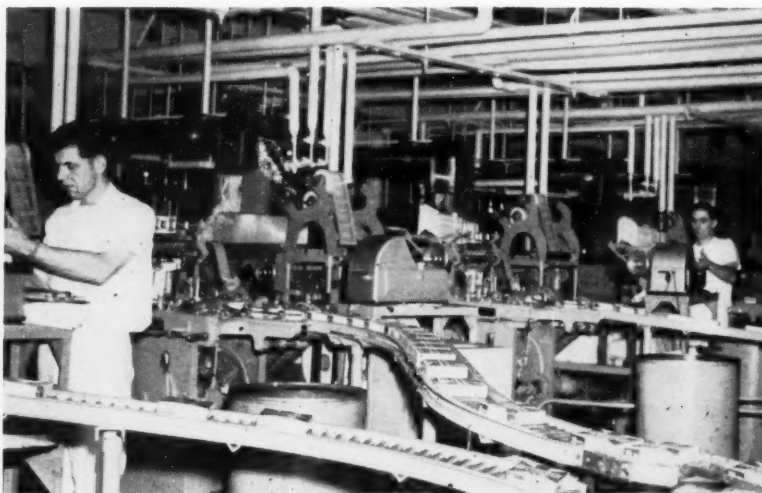
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NEW MARGARINE package is displayed by S. E. Pack, plant manager for Mrs. Tucker's Products at Jacksonville, Ill.

—Photos by Kent Pellett of Soybean Digest.



MARGARINE coming off conveyor line at Mrs. Tucker's Products plant at Jacksonville, Ill.

The New Plastic Margarine

By J. P. HUGHES

Mrs. Tucker's Foods, Inc., Sherman, Tex.

IN THE LAST two or three years a rather dramatic improvement in margarine quality has been brought about by researchers in the fats and oils industry. This was the development of margarine which is "spreadable" at refrigerator temperatures. Not only was this improvement in margarine a result of continued research, but it also represented a definite break with tradition in the industry.

From the time of the invention of margarine in France some 80 years ago until these recent years, the aim of the margarine industry was to duplicate the physical characteristics of butter. This aim it had accomplished quite satisfactorily. However, from a practical standpoint the physical characteristics of butter as a spread for bread are hardly ideal. When freshly removed from a refrigerator, butter is a hard, brittle fat, which splinters when cut with a knife, and cannot be spread smoothly on bread. On the other hand, at normal summer temperatures, butter melts into an oil, which separates from its non-fat components. In the terms of the oil and fat technologists, butter has a very narrow plastic range: that is, the range of tempera-

ture over which it can be spread on bread satisfactorily is relatively narrow.

Recognizing the inherent shortcomings of butter, it was natural that the researcher in the technology of fats should say, "Let's stop duplicating the characteristics of butter. Let's find ways to improve margarine so that it will have a better spreadability—a wider plastic range than butter."

That it was theoretically possible to do this was plain to the fats and oils technologists from their experience in the formulation and production of such plastic fats as shortenings. Since all such fats are made from liquid vegetable oils by hardening, or hydrogenation, it was, theoretically, a question of stopping the hardening reaction at the right point.

From a practical standpoint, it was scarcely that simple. The technologists soon learned two facts. First, the usual test methods by which fat hardening and blending were controlled to make ordinary fat products were simply not good enough to make the margarine fat they were seeking. Second, no single hardened fat product could be produced consistently which would meet the required characteristics.

The problem of control procedures was the first which had to be tackled. The procedure worked out was a determination, or a series of measurements, called "dilatometry." This was based on the fact that most solid substances, upon melting to a liquid, exhibit an increase in volume. To understand how this was applied, one must know something of the nature of a "plastic," or in other words, a "spreadable" or "workable" fat.

Such a fat is a complex mixture of components called "glycerides," which melt over a wide range of temperatures. At room temperature, a spreadable fat such as margarine is not actually solid, as it appears to be, but is composed of some 75 percent of liquid glycerides held enmeshed in the microscopic crystals of the 25 percent of solid glycerides. As the margarine is chilled, more and more of the liquid glycerides become solid, until at perhaps 50 degrees below zero, all of the glycerides are solids. On the other hand, when heated above room temperature, more and more of the solid glycerides melt. The margarine becomes softer and softer, until eventually all of the glycerides melt and become liquid.

By very carefully measuring the volume changes of a fat, in a piece of apparatus called a "dilatometer," as the fat is warmed from a temperature at which it is solid to a temperature at which it is melted, the amount of solid glycerides present at any intermediate temperature may be calculated. The spreadability, or plasticity of a fat, is directly related to the relative amounts of solid and liquid glycerides present in that fat at these intermediate temperatures.

With a suitable control procedure available, the second problem, that of the development of improved margarine fats, could be attacked. Three basic considerations must be met in such a fat. First, the fat must have a sufficiently low solids content at refrigerator temperature (45° to 50° F) to be spreadable. Second, the solids content at room temperature (70° F) must be high enough to yield a product sufficiently firm to be packaged in automatic machines. Third, the melting point of the fat must be no higher than human body temperature (98.6° F) and preferably slightly below this figure. The latter is important to the flavor of the margarine. Fats melting above body temperature tend to yield flat tasting, gummy-textured margarines.

Suitable fats were soon produced by the fats and oils researchers utilizing dilatometry as a working control procedure. They found, however, that such fats could not be produced by hardening one lot of oil to a suitable degree; a fact indicated by their earlier work. The mixing of two, or even three component oils, each hardened to a different consistency, was required to yield a margarine fat with the proper balance of characteristics.

The research results were quickly translated into plant processes, and "spreadable" margarines became the concern of production, advertising and sales people. In the groceries and supermarkets, Mrs. Homemaker found an improved product for her table. Her reaction to a margarine that no longer merely duplicated the physical characteristics of butter, but rather improved on them, is written in the growing sales figures of the margarine industry.

It would scarcely be accurate to say that the development of the new type of margarine could not have been accomplished without the use of soybean oil as an ingredient. It is, however, fully truthful to state that its development was made easier by the inherent processing characteristics of soybean oil. The margarine industry will continue to be one of the best customers of the soybean growers and processors.

G M Sales Offices

S. D. Andrews, Jr., general manager of the chemical division of General Mills, Minneapolis, Minn., has announced that the company has established five district chemical sales offices.

J. H. Allderdice is in charge of the office located at 80 Broad St., New York; Melvin S. Herban is in charge of the Detroit office at 8047 Hamilton Ave.; D. E. Terry is in charge of the Kansas City office at 612 West 47th St.; and Melvin

T. Vincent will handle the Pittsburgh office at 300 Mt. Lebanon Blvd. The other office will be at 460 South N. W. Highway, Park Ridge (just northwest of Chicago).

The general sales office of the chemical division will continue to be located at Kankakee, Ill.

Tax on Imports

The Belgian government has imposed a new transmission tax on imported oilseed cake, amounting to 3 percent on importers, according to the American Embassy, Brussels.

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Late News

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PROGRESS OF HARVEST

Vol. 3, No. 19

Hudson, Iowa, Oct. 5, 1955

Recent general rains and damp weather have slowed up combining, which started early, in both the upper Midwest and the Midsouth, and will prolong the harvest. The Weather Bureau's 30-day outlook is for **heavy precipitation for October over all the bean belt** except the East Coast and the Southeast. Some combining has been done in most areas except where only very late varieties are grown.

Uncertainty is much greater than usual over the final yield. **Illinois was the big surprise**, since the early outlook was for exceptional yields, which have now been pared down considerably. There is still no general agreement about the final outturn in Iowa, which was hurt earlier and more severely by drought than Illinois. **Ogden and other late varieties appear hurt in the Midsouth.**

U. S. Department of Agriculture's Oct. 1 crop report will be out at the time you receive this. It is generally expected to be under the 388 million bushels estimated Sept. 1. Many in the trade are mentioning a figure of 360 million bushels or even lower. Leslie Commodity Letter placed the national crop at 369 million bushels based on Oct. 1 conditions.

On-the-spot reports:

Jack Hartz, Jr., Stuttgart, Ark.: Crop very spotted this season. Early rains put extreme growth on beans and late drought has severely cut Ogden and later varieties. Irrigated varieties 20 bushels higher than non-irrigated.

J. E. Johnson, Champaign, Ill., says yields in his area will average eight to ten bushels below 1954. But C. G. Simcox, Assumption, Ill., reports there will be a higher yield than last year on 10 percent more acres. 1955 yield 24 bushels compared with 14 bushels last year.

Glen Pogeler, Mason City, Iowa, reports yields fair and quality good in his area. At Fort Dodge, Iowa, yields are reported 10 bushels per acre short of 1954, with the total yield 20 to 30 percent less.

David Frymire, Ohio Valley Soybean Cooperative, Henderson, Ky., reports yields possibly three to four bushels per acre better in southern Indiana and western Kentucky than last year, with total yields up 5 to 10 percent.

Carver Brown, Laddonia, Mo., writes per acre and total yields are 50 percent higher in his part of Missouri than they were in 1954. O. H. Acom, Wardell, Mo., sees a yield of 20 to 25 bushels in Pemiscot and New Madrid counties, with the dry weather rough on late beans.

At Miami, Okla., the per acre yield is reported to be 200 percent of 1954, and the total yield three times as much.

Henry G. Miller & Son, Garden City, S. Dak., reports drought cut yields one-third, with the average about 10 bushels per acre as compared to a normal of 15 to 16 bushels. (For a more complete earlier crop report see page 30 this issue.)



QUALITY OF SEED

Seed quality is generally reported quite good with low moisture content and foreign material much lower than usual most places. Reasons: ASA's campaign to clean up the crop in advance of the change in grading standards, and the fact that the weed problem is perhaps not so bad as some years.

Quoting C. G. Simcox, Assumption, Ill.: "Farmers have made exceptional efforts to clean beans. Our elevator handling cleanest beans ever."

Beans are generally running small and dry; weather has also caused some green and shriveled ones. There is also some worry about the combination of dry beans and showers which may cause "popping out."

C. R. Weber, Iowa State College and USDA agronomist, warns that Iowa farmers may face higher than normal shattering losses. He advises harvesting just as soon as beans are down to the proper moisture content.

The Public Grain Elevator at New Orleans is having difficulty loading shipments of No. 2 soybeans, as most barges arriving now are grading No. 3, 4 and sample grade, reports A. A. Clarkson, superintendent. He says the elevator will clean for the account of the shippers No. 4 and sample grade beans coming into the elevator until further notice.

BUYING BASIS ON 1955 CROP

Some processors are now buying soybeans on a No. 2 basis with premium for No. 1 and this buying practice is expected to spread during the 1955 marketing season. By the opening of the 1956 season purchases should be entirely on a No. 2 basis, in the opinion of Geo. M. Strayer, executive vice president of the American Soybean Association.

NO SURPLUS NEXT YEAR

There is no danger of a big surplus of soybeans building up during this marketing year and the carryover on next Oct. 1 is not likely to be excessive, in the opinion of the U. S. Department of Agriculture. USDA bases its ideas on the Sept. 1 crop estimate of 388 million bushels.

Here are the figures: carryover this Oct. 1, 7 million bushels; total supplies, 395 million bushels; 1955-56 crush, 279 million bushels; farm use, 30 million bushels. This would leave a total of 95 million bushels for export and carryover. USDA believes the amount exported will be substantially above the 60 million bushels exported in the year just closed.

Strayer leaves shortly for a special agricultural mission to Asia where he will make a survey of the markets for U. S. soybeans. See page 7 for details.

	Cash price to farmers for No. 1 soybeans Sept. 30	Price to farmers for No. 2 soybeans Sept. 30	Retail cash price for bagged soybean oil meal Sept. 30
Ark.....	\$2.00		
Ill.....	2.27@ \$2.34	\$2.32	
Iowa.....	2.16		
Kans.....	2.23		\$83
Ky.....	2.23		78.20
Mo.....	2.20@ 2.22		62
Ohio.....	2.20		
Okla.....	2.10	2.10	

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—Photos by Soybean Digest

The National Soybean Crop Improvement Council advisory board. Left to right, front row: J. W. Calland, managing director of the council; R. S. Dunham, University of Minnesota; C. D. Hoover, Mississippi State College; F. C. Keim, University of Nebraska; M. P. Lacy, Virginia Polytechnic Institute; J. Ross Fleetwood, University of Missouri; and Ralph Matlock, Oklahoma A & M. Second row: D. A. Hinkle, University of Arkansas; J. L. Cartter, U. S. Regional Soybean Laboratory, Urbana, Ill.; L. E. Saboe,

Ohio State University; John Gray, Louisiana State University; G. T. Webster, University of Kentucky; Walter Fitts, North Carolina State College; and Kenyon T. Payne, Michigan State College.

Back row: Howard T. Rogers, Alabama Polytechnic Institute; O. W. Leutkemeier, Purdue University; Roy V. Olson, Kansas State College; E. E. Hartwig, Delta Branch Experiment Station, Stoneville, Miss.; and C. R. Weber, Iowa State College.

The National Soybean Crop Improvement Council and Its Work

By **J. W. CALLAND,**
Managing Director

Presented before the 35th annual convention of the American Soybean Association

THE NATIONAL Soybean Crop Improvement Council was established in 1948 by the National Soybean Processors Association. It operates on an annual budget in the neighborhood of \$30,000, which is provided by an assessment of one-eighth of a mill per bushel on soybeans processed by association members. This budget carries the salary of the managing director, his secretary, and the costs of the various activities conducted by the Council. The purposes of the Council were

outlined in rather broad terms. It was to cooperate with the agricultural interests to encourage the profitable growing of soybeans in the United States and to cooperate with the regional laboratory, the agricultural colleges and experiment stations in developing better varieties, which will yield more and higher quality soybeans.

I think it is well to consider some of the underlying factors that led the Processors Association to set up the Crop Improvement Council.

Soybeans had shouldered other crops out of some 12 to 14 million acres of farm land, but the crop was still an interloper; it had not been given a definite place among the

farmer's regular crops. It was still looked at with suspicion. It was accused of being hard on the soil, and of causing erosion; you couldn't get good stands of clover if you grew soybeans; the crop didn't fit into farm rotations; and there were many others.

In only three Cornbelt states were farmers actually encouraged to grow soybeans, and in these states it was mainly by individual staff members such as Beeson in Indiana, Burlison and Hackleman in Illinois, and Hughes and Dyas in Iowa. In other states, soybeans mostly "just came in."

Research, experimental, and extension programs in most of the soy-

bean states were set up on the so-called regular farm crops. Soybean production research usually got only such funds as were required to cooperate with the U. S. Regional Soybean Laboratory on variety improvement. A few states had soybean bulletins or circulars on growing practices, most of them did not. Variety recommendations were made frequently on the basis of yield with little or no regard for oil content or seed quality. Examples are Habaro, Mandell, and S-100, each 2 percent low in oil content.

Was that important? Well, in the years from 1946 to 1950, according to conservative estimates, we were growing annually 3 million bushels of Habaro, 5 million of Mandell, and 7 million of S-100. Now 15 million bushels, each shy one pound of oil at 10 cents a pound, represented a loss of \$1,500,000 a year.

Here was a new industry scarcely 20 years old, forced to spend millions of dollars on research, improved processes, new plants, advertising and sales promotion to develop new markets and uses for soybean products. The soybean for processing was a new crop on American farms. Much work needed to be done on improved varieties, better cultural practices, higher yields, harvesting, storage, and marketing, all aimed at more money per acre for the growers and more and better soybeans for the processors. What folly not to cooperate fully with the agricultural interests, the growers, the plant breeders, the agricultural colleges and experiment stations who were doing this work!

Helps Research

The Council was not set up to do research work, but rather to cooperate with the men and institutions doing research work. It helps research get started by assisting in the analysis of soybean production problems and by pinpointing the things needing research. Then we try to speed the information gained through research out into the various segments of the industry.

Now, what are some of the things the Council has been doing to try to serve the purposes for which it was established?

1—Our 44-page bulletin, *Soybean Farming*.

Soybean production had suddenly doubled with World War II. Thousands of American farmers were growing them for the first time. Soybean growers wanted to know the facts about this new crop, its relation to soil productivity, to other crops in the rotation, to soil conservation, the place it should occupy in their farming scheme. They wanted information on cultural practices, varieties, fertilization, and harvesting. Processors, grain elevators, county agents, vocational agriculture

teachers, farm managers and a host of others needed, for distribution to farmers, concise factual information on growing soybeans, information based on research of agricultural experiment stations, facts that would apply in general to all soybean areas.

Moreover, a booklet containing this information should be available free to anyone interested in soybean production regardless of state boundaries. Outside of four states, the colleges, experiment stations, county agents and others had practically nothing about growing soybeans to offer to farmers wishing to grow the crop.

Soybean Farming

Here was a place where we could immediately begin cooperating with the agricultural colleges and experiment stations. The material for *Soybean Farming* was assembled and submitted to the people working with the soybean crop in the principal soybean states. With their help it was put into final form and published. With their cooperation a revised edition was prepared and printed in 1952 and a third edition in 1955. A total of 300,000 copies of *Soybean Farming* has been distributed. They are available in most county agents' offices in the soybean states; they are in the hands of the processors, of the colleges, of the vocational teachers, future farmers, G. I. instructors, and many, many others. Far more than 200,000 copies have gone directly to dirt farmers who are growing soybeans. If you don't have a copy of the latest edition, write me at Box 108, Decatur, Ind., and I'll send you one. Several of the agricultural colleges get them in lots of 100 or more for reference books for students in farm crops classes.

2—Our four-page pamphlet, *Soybean News*.

Early it became apparent that another way we could cooperate with college, research, and extension people and with the producers of soybeans, would be by means of a small easy-to-read pamphlet containing pertinent factual information about the soybean crop and the things produced from soybeans. Many of the stories in *Soybean News* are based on new research and experimental findings at the experiment stations, colleges and other research agencies over the country. Mainly they supplement and bring up-to-date much of the subject material in *Soybean Farming*. But the *News* also carries actual farm stories—the experiences of soybean growers. It is published in September, December, February, and April of each year and is sent free to a mailing list of approximately 22,500. I think you will be interested in where it goes. To county agents, agriculture teachers, farm managers, seed growers, PMA offices, farm maga-

zines, farm editors of daily and weekly newspapers and radio stations. College experiment station and extension staff members, USDA offices, conservation workers, processors, 7,200 elevator and grain handlers, an equal number of actual soybean growers, and a miscellaneous list of close to 1,000. If you don't get it and want it, ask to be put on the mailing list.

3—The advisory board.

In order to work closely with the



Agronomists report on weed control practices on soybeans in their respective states at an Improvement Council meeting. Here, Ralph Matlock of Oklahoma A & M College reports for Oklahoma. At right is seated M. P. Lacy of Virginia Polytechnic Institute.



J. Ross Fleetwood, University of Missouri, reports.



R. S. Dunham, for the University of Minnesota.

scientists who are doing the research on the soybean crop we had each of the directors of the experiment stations in 18 of the principal soybean states appoint a member of his staff to serve on a Soybean Crop Improvement advisory board. The membership of the board is made up largely of the heads of the agronomy or crops departments and also includes Dr. J. L. Cartter of the Regional Soybean Laboratory of Urbana, Ill., and Dr. E. E. Hartwig, coordinator of soybean research for the 12 southern states. Dr. Herbert W. Johnson of Agricultural Research Service and Dr. John Cowan of the Northern Utilization Research Branch are not members, but they frequently attend our meetings.

Every person here today knows that better beans with higher yields per acre don't just happen. They come from the application of scientific knowledge to crop production. Scientific knowledge comes from research. The only way we can keep from running short of knowledge that will increase yields and raise production profits is to keep the scientists digging out new facts about the soybean plant.

For three years our advisory board studied and reported on the soybean research being done by the U. S. Regional Laboratory and the 24 co-operating states. Convinced of the crying need for a coordinated, comprehensive, and greatly enlarged program of soybean research, we presented this need to the experiment station directors of the 24 co-operating states. They suggested we prepare a proposed program and supply them with copies. This was done.

Research Funds

Now we had something to work with in convincing Congress to appropriate additional funds for soybean production research. We of course enlisted the aid of the American Soybean Association and they cooperated with us to the fullest extent. So did the Soybean Processors and many others. To shorten a long story, we asked for \$115,000 for increased research by ARS and they gave us \$100,000. This was a 50 percent increase in the annual soybean research funds. Dr. Johnson reported at the Memphis meeting last year on how these increased funds are being used and again yesterday on varietal research work under the expanded program.

The federal soybean breeders attached to the various state agricultural colleges, such as Weber at Iowa State or Probst at Purdue, all have assistants now. In fact, most of them have two assistants and also more labor to handle the manual operations in the field and the vast amount of detail required in harvesting, packaging, labeling, and han-

dling the thousands of strains they grow and test annually.

I am sure these scientists who have been working so tirelessly to develop superior varieties of soybeans, frequently with very inadequate help, will now be able to devote a much greater portion of their time to the basic problems of digging out new facts about the soybean. It will be the facts they uncover that will give us better varieties, bigger yields, and better quality soybeans in the years ahead.

This year the members of the advisory board have devoted their efforts to very comprehensive study on the problem of weed control in the soybean crop. A survey was conducted in each state to determine just what practices the growers were using, both cultural and chemical, for the control of weeds. These reports were presented at our Monday meeting. Tuesday forenoon we had a weed control panel, where control recommendations for each state were discussed, looking forward to an attempt to set up general improved weed control recommendations for all soybean growing areas.

Other Activities

Time will not permit me to give detailed accounts of our various other activities, so I shall only briefly mention them.

4—Research fellowships.

From the organization of the Council and with the assistance of the advisory board, we have been supplying funds for at least two \$1,500 fellowship grants for research on particular soybean production problems. These usually have run for three years and have been established at Ohio, Indiana, Minnesota, and Missouri. This year we are continuing the fellowship at the University of Missouri on breeding soybeans for disease control and we have set up grants for weed control studies at Iowa State, Purdue, and Missouri.

5—Tri-State processor-university meetings.

For the past six years the processors and the university and experiment station staff members, who are working with the soybean crop, have come together in tri-state groups to discuss mutual problems having to do with the production, storing, marketing, and processing of the soybean and the uses of soybean products. These conferences have brought about a friendly and helpful understanding between the processors and the personnel of the various colleges and experiment stations of the problems of the industry, as a whole, and of the great value of the soybean crop and its products to agriculture and to our national economy. It was decided last year to enlarge the annual meetings of the advisory board and try to include the main



J. W. Collard

purposes of the tri-state meetings.

6—"Soybeans — The Feature Story."

Another activity was the production of a 27-minute, sound, colored movie covering the production, processing, and products of the soybean crop. Some 57 copies of this film were put into use. While we have no record of many showings of this movie, we do have reports totaling over 200,000 people present at showings. Possibly another 50,000 have not been reported. Black and white TV films of "Soybeans—The Feature Story" were prepared and released in April 1954. The distributor of these TV films has already certified above 5 million viewers.

7—Other activities include: A crop condition report as of the last of June, an estimate of soybean production as of Aug. 1, trying to visit the agricultural colleges and experiment stations in the principal soybean states along with some 125 processing plants as frequently as possible.

Naturally a lot of things, some planned and some not planned, come along for us to do during the year. We make a lot of talks, write some soybean articles and stories, and handle quite a bit of correspondence.

We have worked earnestly to cooperate fully with the American Soybean Association. It is only natural that at times the interests of the processors and the interest of the growers seem diametrically opposed. But, these are only instances. In the long pull, the two groups can work together for the best interests of the soybean industry as a whole. Certainly every effort should be made to bring this about.

Just how tangible the results of the work of the Council, on the whole, have been is not easily determined. Some of them, of course, are about definite as results ever get. For some activities, results are hard to measure. Crop improvement, crop promotion, and results from research projects are not things you accomplish quickly; they take time.

In my opinion, we have made a lot of progress toward our goals in the past half dozen years. On many of them we started from pretty close to scratch. We now have a rather well-defined and definite program in operation. Much of the trail blazing has been done.

Our program and activities, of course, will continue to be modified as changes come in crop production problems, in our national economy, in world affairs, in the demand for soybean products, in the regulatory acts of government, and other circumstances which may affect our objectives.

But, if you must have tangible results to credit to this work, you can look back to the 186-million-bushel soybean crop we had in 1947, then consider the 343-million-bushel crop of last year and the estimated 420-million-bushel crop of this year, and then credit as much of 234-million-bushel increase to the work of the Council as may be required to make you happy.

Dr. W. L. Burlison, that grand agriculturist of Illinois, has said, "The work of the National Soybean Crop Improvement Council is the best example I know of the right kind of cooperation between the producers of a farm crop, the scientists who work to improve it, and the processors who furnish the market for it. We could use this kind of cooperation on several other crops."

Puts Processing on Business Basis

ESTABLISHMENT of futures markets for soybeans and soybean end products has converted crushing plant operations from basically a speculative business to a manufacturing operation," Dwayne Andreas, chairman of the board of Honeymead Products, Inc., Mankato, Minn., told a group of college educators in Chicago Sept. 8.

Andreas reviewed uses made of futures markets by processors at the eighth annual commodity marketing symposium sponsored by the Chicago Board of Trade.

"The crusher who now has this price insurance available to him concerns himself primarily with the margin of profit he can get by actually crushing the soybeans," said Andreas. "Prior to the time soybean futures were established, it was necessary for him to be a speculator at almost all times."

"Under the present arrangement, with inventories hedged in futures at all times, it is a simple matter for a well-managed firm to borrow money at prime rates from banks for the purpose of financing inventories. This makes for more efficient use of capital."

"Futures also make it possible for top executives in processing firms to pay more attention to

manufacturing efficiency. By reducing the speculative characteristics of the crushing industry, it is possible to narrow the spread between raw material costs and finished product prices."

Seizes "Milk Solids"

A quantity of "nonfat dry milk solids" seized by federal food and drug authorities at Davenport, Iowa, contained some soy flour, according to the Iowa Department of Agriculture.

L. B. Liddy, chief of the Iowa department's dairy and food division, said the powder was intended to be sold for human consumption in Iowa. It was shipped into the state by a Kansas City, Mo., firm.

Margarine Production

Margarine production in July ran 79,699,000 pounds, bringing the year's production to date to 771,759,000 pounds, S. F. Riepma, president, National Association of Margarine Manufacturers, stated.

July production ran 17.9 percent below June production, and 8.9 percent below July 1954 production. So far this year, margarine consumption continues to run about the same as last year, which totalled 1,634 million pounds.



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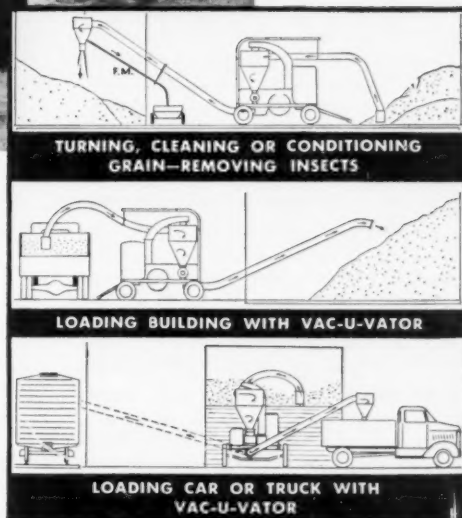
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Profit and Loss

How hedging operations affect your income tax

By **MORRIS BRAUN**

THE HOTTEST arguments in history have tossed themselves around different conclusions drawn from the identical statistic. In and out of wars that temporarily stilled the wordy debates, mutterings could always be heard.

Take grains, for instance, the oldest foodstuff grown. A chart of their price course indicates definite cycles since the Assyrians tested the military might of the Pharaohs. And if you can manage to live long enough, profits can be made while waiting for historical repetition; assuming, of course, that the price cycle at that particular time is not contrahistorical.

Lusty infant though it is, the soybean has not developed that time-tested duplicity. Any statistic based on spot trading is in its infant stage; its futures price course is practically

out of the womb. So we are compelled to rely on raw economics.

In this raw state, omitting the questions arising out of time, weather, war and lordly man himself, yesterday's shortage must be the germ for tomorrow's glut; just as surely as today's low price must give birth to tomorrow's high, as was sadly proven by the 1954-1955 price drop.

Why gamble then? Let's try hedging and assure ourselves of a profit.

Hedging is a useful device for partially protecting the soybean producer and processor against the uncertainties that result from fluctuating prices. Based on the normal relation between cash and futures, the hedger assumes a normal spread of the cash soybeans, meal or oil, plus carrying charges to the delivery month. And that it mostly is.

Sometimes though the spread may widen or narrow one or two cents, or

even more. Under these conditions the hedge does not give perfect protection. The hedger may lose, or gain, by the amount of the change in the spread. In fact, a USDA study of hedging in August 1948 showed that changes in "basis" (cash-futures spreads) of eight-week periods averaged about 36 percent for wheat, 56 percent for corn and 51 percent for oats. The protection offered by hedging was incomplete by those percentages. Whether comparison lies with soybeans and its end products cannot be said, although the figures so studied certainly have value as a crutch to our thinking.

With all its incompleteness hedging is recognized by the Internal Revenue Service as legitimate business insurance; the losses or gains in cash or futures are ordinary business transactions. That is, if the futures deal is actually against the cash soybeans, meal or oil held.

If the basis does change and the

producer or processor is faced with a loss on his cash and futures, he has a number of choices, too. A heavy run of soybeans to processing channels, or out of the latter to the market, may at times depress the cash prices further than usual below the futures. A guaranteed profit opportunity exists then for the producer or purchaser. All he need do is buy up the cash soybeans, meal or oil, put it in storage and hold it until the delivery month when the price of cash and futures must come together. If the spread was more than the storage charges and grade discount, the difference is the profit. Practically all banks regard this as highly desirable business, and many will loan up to 90 percent to finance a deal of this type, assuming, of course, insurance against deterioration.

A more common choice is to buy or sell the future on speculation, using a forecasting ability based on the understanding that all futures must become cash in the delivery month. At this point, for tax purposes, the dealer is no longer taking an ordinary business risk; he is in the capital gains and losses category, with its advantages and disadvantages. And at rates ranging from 20 percent to 90 percent a careful weighing can be very important, indeed.

A prime disadvantage is the fact that only \$1,000 net capital loss is allowed in any one year. An equally important advantage is the maximum tax of 25 percent on long term capital gains. In between these two extremes, the Congress, Internal Revenue Service and the Courts have spread oceans of opinions and law.

On a short term basis (less than six months) all short term gains are reduced by any long term losses, both at 100 percent. Or, any long term gain is reduced by a short term loss and taken into account at 50 percent. The perfect situation would be for all losses to be short term and all gains, long term. Even the thought is warming, isn't it?

Before March 1954, for capital gains and losses purposes, if delivery on a futures contract was actually taken, each transaction was separate. That is, the profit or loss on the contract was determined by the difference between the buying price and the market value of the cash commodity delivered; the time involved made it short or long term. After the commodity was delivered another deal, for tax purposes, was made. The profit or loss was determined by the difference between the value at delivery and its disposal price; the time involved made it short or long term. Pretty tough to get a long term rate on both deals if a profit was made. Not too bad though if a

loss was taken twice. But remember, the net capital loss is limited to \$1,000 in any one year.

The new tax law has created a different situation. "In determining the period for which the taxpayer has held a commodity," the 1954 Code says, "acquired in satisfaction of a commodity futures contract there shall be included the period for which he held the commodity futures contract, if such commodity futures contract was a capital asset in his hands." In other words, the taking of a speculative long position in a future, plus the taking of delivery, is now one transaction until the cash commodity is sold. The entire field is unexplored; the tax situation being what it is, definitive advantages are to be had. But keep in mind that this applies to purchases only; short sales are not included.

Suppose that on a speculative basis, it would be to your advantage to take delivery on your futures contract. This has happened in the past and should happen again. It would apply when it becomes apparent that the producers are storing on the farm, hoping for a rise in cash soybeans, and your futures contract is in its delivery month; or when cash soybeans, meal or oil promise to rise for any other reason beyond the delivery month; or when a con-

tract can be bought at a discount to cash, larger than storage, handling costs and deliverable grade discounts, for any reason.

The sale of a contract to close a long position is still one transaction, though; switching into another delivery month is the beginning of another transaction. If a profit exists, instead of switching or closing out by the sale of a contract within six months, a long term tax rate can be had if delivery is taken and the cash commodity held past the six month period. If a loss is involved the advantage, of course, would be to close the deal within six months.

If your income from other sources is over \$18,000, then the maximum tax of 25 percent on long term capital gains can become a personal loan program, in effect, which is the obvious intent of Congress, taxwise; and, incidentally, given to encourage venture capital as against the fact that too many losses can discourage it.

A detail to keep in mind as well is that the deliverable grade is at the option of the seller and any profit must be weighed by the discount given against the resale value. Under most of these conditions though the halved tax could well yield an overall profit.

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COMMODITIES—Wheat, soybeans, corn, rye, cotton, rubber, coffee—all these 7 GREAT commodities are covered in our TUESDAY and FRIDAY letters, giving definite advices WHAT to buy, margin required, commissions, PROFIT POSSIBILITIES, ACTION and BIG PROFITS.

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SPECIAL "GET ACQUAINTED" OFFER: Our next 5 TUESDAY & FRIDAY letters, covering ALL markets mentioned above, also (FREE) our latest lists: 7-low-priced stocks; 7-high-quality stocks; 7 finest quality stocks—that should advance MUCH higher—**EVERYTHING** mentioned, \$1.00.—USE ORDER FORM BELOW.—NOW!

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NAME.....

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CROP REPORT

September Drought Cut

SOYBEAN production was down sharply from a month earlier according to the U. S. Department of Agriculture's Sept. 1 crop estimate. USDA pegged the U. S. crop at 388 million bushels, 33 million bushels less than the Aug. 1 forecast.

Of the major states, Iowa and Missouri were hardest hit by adverse weather as of Sept. 1. But by late September the dry weather had spread to nearly all the soybean belt except the East Coast.

Above normal heat in September matured soybeans rapidly and pushed the harvest ahead. There had been some deterioration over wide areas by late September.

But the drought was spotted and by no means universal. There were wide variations in yield even in the same locality. Since the dry weather came on late, the early crop was apparently made ahead of it in the Midsouth. It was expected that late varieties would suffer in that area.

By late September harvest was on in most areas except the Far South and the East Coast, and there were many reports of disappointing yields. The general expectation was that USDA would pare its national yield estimate further on Oct. 10.

Fields in some areas were reported to be cleaner of weeds than usual, which should speed combining. Generally low moisture and foreign material were reported, though considerable trouble with uneven maturity and second growth was being reported. Some early harvested beans were small and damaged.

Grasshoppers were reported a problem over wide areas. Green cloverworm was reported in most fields in Arkansas and it could have become a problem in Missouri. There were also local reports of damage by Mexican bean beetle and corn earworm.

Spot reports from our crop reporters and other sources:

Arkansas. Paul C. Hughes, Farmers Soybean Corp., Blytheville (9/19): Combining of our Dorman and S-100 just starting at about normal time. Crop condition cut 33 percent since first of August due to no rain. Yields 20 to 30 bushels on early soybeans that looked like they would go 40-50 bushels in early August. Ogdens will now have a hard time to make a 15-bushel average. Moisture and foreign material on early beans is very good.

Arkansas Weekly Weather and Crop Bulletin (9/20): Soybean pros-

SOYBEAN CROP PRODUCTION, AUG. 1 FORECAST

State	Soybeans for Beans			Production		
	Yield per acre			Thousand bushels		
	Average 1944-53	1954	Indicated 1955	Average 1944-53	1954	Indicated 1955
N. Y.	16.3	11.0	14.0	102	88	84
N. J.	18.2	22.0	18.0	305	528	414
Pa.	16.6	18.0	18.0	401	306	378
Ohio	20.1	25.5	25.0	20,250	29,708	31,125
Ind.	20.9	24.0	24.5	32,689	46,128	51,793
Ill.	22.6	21.5	24.0	81,614	92,214	108,720
Mich.	18.6	22.0	22.0	1,775	3,476	3,630
Wis.	13.8	15.0	13.0	516	1,035	923
Minn.	17.0	21.0	19.0	15,194	42,294	44,365
Iowa	21.2	26.0	19.0	35,438	55,900	42,237
Mo.	18.0	15.0	19.5	19,214	27,540	37,635
N. Dak.	11.7	15.5	15.5	201	1,100	1,224
S. Dak.	14.9	18.0	13.0	682	3,114	3,419
Nebr.	20.7	22.0	10.0	927	4,180	2,450
Kans.	12.5	8.0	9.5	3,967	2,448	2,850
Del.	14.0	17.5	17.5	762	1,190	1,242
Md.	15.8	18.5	20.0	948	1,998	2,320
Va.	16.8	15.5	20.0	2,078	2,898	3,440
N. C.	14.4	16.0	16.5	3,735	4,720	4,702
S. C.	10.4	7.0	14.5	589	910	2,175
Ga.	9.6	7.0	12.5	206	210	438
Fla.	19.0	12.0	20.0	1,178	348	680
Ky.	16.8	16.0	19.0	1,768	2,048	2,470
Tenn.	17.5	12.0	21.0	2,333	2,160	3,885
Ala.	17.5	11.5	22.0	1,079	1,196	2,332
Miss.	15.2	9.5	23.0	3,479	4,930	12,512
Ark.	17.2	11.5	20.0	7,337	9,096	18,660
La.	14.6	16.0	19.0	460	848	1,064
Okla.	10.4	5.5	12.0	330	99	360
Texas	17.0	85
U. S.	19.9	20.1	21.1	238,488	342,795	387,527

¹Short-time average. Crop reporting board, Agricultural Marketing Service, USDA.

Crop Prospects Further

pects continue to decline in the important northeast producing area and in scattered areas elsewhere due to dry, hot weather. Prospects are most promising in east central Arkansas. A number of fields in this area are being irrigated. Harvest of early varieties is getting underway.

Illinois. J. E. Johnson, Champaign, (9/18): Yields are at least five bushels below 1954. Reports indicate 27 bushels general average of the better fields. As yet no 30-bushel report for a field of any size. Some areas in the county report 20-bushel yields.

L. Parke Kerbaugh, Stanford (9/20): Maturity five days earlier than normal. Condition 95 percent. Some off-grade beans. Some fields yields poor, beans small, some damaged beans. Weather dry. Second growth special problem in combining. Yields 16 to 35 bushels.

Indiana. Chester B. Biddle, Remington (9/20): Maturity advanced week to 10 days. Many combines running today. Lowest yield report 14 bushels, highest 30. This comes from Fowler and Remington. Beans on lighter sandy soils are definitely yielding very poor—20 bushels and down. We might have a very few scattered fields that will yield more than 30 bushels. Definite problem with mixed maturity. Percent of cracks is high. Moisture of mature beans running 10 to 12 percent. Some reported lower.

Indiana Weekly Weather and Crop Report (9/20): Moisture reported short in all counties. More than 10 percent of the soybeans have been harvested.

Iowa. Des Moines Register (9/28) estimates the crop is one-third out, but local rains have been delaying combining. A private estimate by a processor is that the final crop in the state will be under 40 million bushels (USDA Sept. 1 estimate 42.2 million). Selling is reported as light with many beans apparently going into storage. Quality is good with low foreign material.

Louisiana. Mark H. Brown, Lake Providence (9/19): Early beans in full harvest. Most of crop good. Some fields very grassy. Dry now, but enough moisture to complete crop of late beans. Early beans running 20 to 25 bushels per acre. Excellent, good grade and quality.

Minnesota. Howard E. Grow, Farmer Seed & Nursery Co., Fari-

bault (9/19): Maturity 10 days early. Weather dry. Some weedy fields. Will be difficult to harvest if we should get some rainy weather. Yield 80-85 percent of 1954. Quality fair, moisture low.

Mississippi. H. H. Huddleston, Lamont (9/20): Crop condition good except the past three or four weeks of hot dry weather have matured some portions of crop. Most fields are in condition where combining is possible. Some may need a defoliant, and some uneven maturity. Ten percent decline in yield under USDA's Sept. 1 estimate.

W. T. McKinney, Anguilla (9/19): Weather has been excellent for beans. Growers highly pleased with success this season of beans planted after small grain harvest. First time in years there has been sufficient moisture for germination and growth. Late varieties need additional moisture. Harvest just beginning for Dormans. Many fields are heavily infested with vines and other foreign growth. Treatment with defoliant rather general. Yield 20 to 40 bushels. Considerable foreign material. Moisture 9-16 percent.

Missouri. Weekly Weather and Crop Bulletin (9/20): Harvest of soybeans is getting under way, especially in the dry section of the northern part of the state. Yields are quite varied, running from 10 to slightly over 30 bushels per acre. Many of the beans are small.

North Dakota. Floyd Poyzer, Amenia Seed & Grain Co., Amenia (9/20): Very dry. Yield 12 bushels per acre. Very disappointing. Much lower than USDA's Sept. 1 estimate.

Ohio. D. G. Wing, Mechanicsburg (9/21): Maturity ahead of normal. About half of beans are combined now. If dry weather continues all beans will be harvested before Oct. 1. Lots of green weeds. Moisture 9 percent yesterday. Yield around 20-25 bushels, much lower than USDA's Sept. 1 estimate.

R. S. Oetzel, Marsh Foundation, Van Wert (9/19): Maturity week ahead of normal. Blow torch winds past five days ripened crop fast. Fifty percent of farmers will begin combining in next two days. Crop looks good. Monroe from 20 to 38 bushels reported. Many small beans. A 90-acre field certified Harosoy was estimated by inspector at 40 bushels. Many weeds, foxtail, green stems and green beans. No killing frost yet. Moisture 10 to 12 percent. USDA yield estimate 25 bushels.



—Soybean Digest photo

COMBINING was under way on early varieties all over the northern soybean belt by mid-September. Here two combines operate in a field of Hawkeyes on the Charles Krile farm near Windsor, Ill., Sept. 14. Yield was 28 bushels per acre.



—Soybean Digest photo

WABASH soybeans are being combined by R. O. Brooks, RFD, Owensboro, Ky., Sept. 15. He thought the field would go 30 bushels.

Would estimate at 23 bushels per acre. Some stem canker.

Ohio Weekly Weather and Crop Report (9/20): Soybeans appear to have progressed rapidly and harvest which may prove to be the earliest of record is well underway in a number of areas.

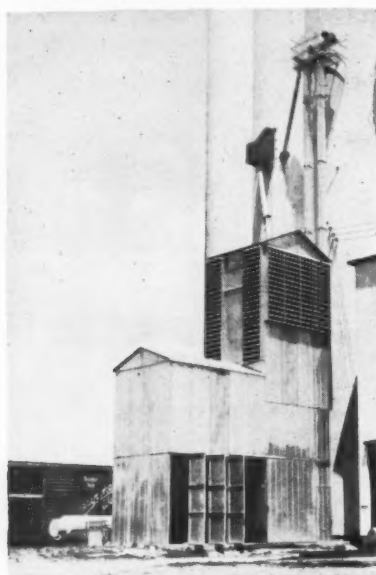
Virginia. Louis Groh, Clay Bank (9/19): Crop movement will begin in about 30 days. A good many fields planted late. Blooms have dropped off and it looks like a poor crop for late planted beans. Too much rainfall caused condition.

Ontario. R. H. Peck, River Canard (9/20): Hot dry weather has hastened maturity. Condition good, although yield will be less than expected due to dry weather first part of September. Has hastened maturity. Weeds will cause trouble in some fields. Quality good, moisture low. Yield not good on early varieties.

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PUBLICATIONS

Sees Wider Use for Soy Derivatives

ACETOGLYCERIDES, chemical derivatives of soybean and other common U. S. oils, may soon find a wide range of usage, according to the U. S. Department of Agriculture.

These products have been produced at USDA's Southern Regional Research Laboratory at New Orleans by acetic-acid treatment of ordinary fats and oils.

Chief among the unique properties of acetoglycerides is an exceptionally wide range of plasticity and the ability to exist as non-greasy, plastic solids. They can be tailor-made to give them properties for particular uses.

Acetoglycerides were recently approved for use in cosmetics. Both USDA and industrial laboratories are now making careful studies to determine whether acetoglycerides are suitable for use in foods. If approved, they may be used to keep foods fresh longer and to make spreads spreadable over a wide range of temperature. Other uses include top quality plastics.

Existing processes for modifying and purifying fats can readily be adapted for producing acetoglycerides. Essentially they're made by substituting acetic acid for some of the fatty acids ordinarily combined in the fat or oil molecule. Their properties differ with the amount of fat replaced by acetic acid.

Acetoglycerides should open many new markets for our increasing supplies of edible fats and oils. At least eight companies have prepared them in the laboratory or pilot plant, and two companies now offer experimental samples to possible commercial users.

NEW USES FOR FATS AND OILS. Agricultural Research, July 1955, page 10. Agricultural Research Service, U. S. Department of Agriculture, Washington 25, D. C.

MISCELLANEOUS

MEASUREMENT OF UREASE ACTIVITY IN SOYBEAN OIL MEAL. By C. Bradford Croston, Allan K. Smith, and J. C. Cowan. Journal of the American Oil Chemists' Society, May 1955, Vol. 32, pages 279-282. 35 E. Wacker Drive, Chicago 1, Ill.

COLOR CHARACTERISTICS AND CHEMICAL ANALYSIS OF OIL FROM FROST-AND-WEATHER-DAMAGED SOYBEANS. By Duncan MacMillan and Eugene H. Melvin, Northern Utilization Re-

For a complete list of books and experiment station publications relating to soybeans drop a postcard to Circulation Department, Soybean Digest, Hudson, Iowa.

search Branch. Journal of the American Oil Chemists' Society. February, 1955.

SOYBEAN PROTEIN FRACTIONS AND THEIR ELECTROPHORETIC PATTERNS. By Allan K. Smith, Elliott N. Schubert, and Paul A. Belter. Journal of the American Oil Chemists' Society, May 1955, Vol. 32, pages 274-278. 35 E. Wacker Drive, Chicago 1, Ill.

COMMODITY FUTURES STATISTICS. JULY 1953-JUNE 1954. Statistical Bulletin No. 160. Commodity Exchange Authority, U. S. Department of Agriculture, Washington 25, D. C.

COTTONSEED QUALITY IN LOUISIANA. D. A. E. Mimeographed Circular No. 154. Louisiana Agricultural Experiment Station, Baton Rouge, La.

ARKANSAS FIELD CROP VARIETIES FOR 1955. Leaflet No. 214. By W. H. Freyaldenhoven, Harry W. Wellhausen and Runyan Deere. Agricultural Extension Service, University of Arkansas, Fayetteville, Ark. Lists recommended field crop varieties including soybeans for oil and hay.

FEEDING

ANTIBIOTICS. The response to antibiotics was less with all-vegetable diet for pigs including soybean oil meal than with a diet in which menhaden fish meal provided the supplementary protein, according to Illinois workers.

This is apparently because greater growth responses are obtained from soybean oil meal.

SUPPLEMENTARY PROTEIN AND THE RESPONSE OF THE PIG TO ANTIBIOTICS. By D. E. Becker, S. W. Terrill and R. A. Notzold. Journal of Animal Science, Vol. 14, No. 2, May 1955, pages 492-498.

WHOLE BEANS. In two South Dakota trials lambs fed whole soybeans were slightly better in rate of gain, feed efficiency, carcass grade, and selling price than lambs fed soybean oil meal.

The workers conclude that lamb feeders can advantageously feed whole soybeans when they can buy or produce them cheaper than soybean oil meal.

SOYBEANS FOR FATTENING LAMBS. Bulletin 442. Agricultural Experiment Station, South Dakota State College, Brookings, S. Dak.

SOYBEAN DIGEST

MISCELLANEOUS

SALT AS A REGULATOR OF PROTEIN INTAKE BY BEEF CATTLE. Information Sheet 504. Agricultural Experiment Station, Mississippi State College, State College, Miss.

COTTONSEED MEAL USED IN POULTRY STARTER RATIONS. By John W. West. Information Sheet 502. Agricultural Experiment Station, Mississippi State College, State College, Miss.

LETTERS

Read in Jail, Too!

TO THE EDITOR:

Last week, as some donated magazines were passed out in the cell block here at the Florida State prison, someone put a copy of the Soybean Digest on my bed.

I felt I ought to write and tell you how very much I've enjoyed reading it. I've passed it along to several fellows who cell near me and they, too, have enjoyed it immensely. —Julius Sturm, Raiford, Fla.

About Nematodes

TO THE EDITOR:

Referring to your article, "New Nematode in North Carolina," in the June issue. Prior to my coming to the United States in 1901, I had experience with the nematode in Russia and in Western Germany. It was solved through the rotation of crops including legumes.

These crops store the nitrogen through the leaves and place it on the roots and the nematode sucks the roots. This nitrogen is not appetizing to the nematodes and therefore the rotation of crops helps to control the nematodes.

Nematode is a Greek word, means thread, and it is a parasite. There are two outstanding species of the nematode family, the terrestrial nematode and the marine nemertea or golden nematode.

The golden nematode or nemertes is in evidence along the coast of Maine and eastern Canada. The high tides wash the nemertea eggs on the lowlands and when the tides recede the winds carry the eggs further and the mosquitoes infect the agricultural lands.

Seed potatoes grown in Maine, Prince Edward Island and Nova Scotia and shipped to Long Island, N. Y., have infected that section with the golden nematode. The terrestrial nematode is attacking the tobacco crops in the Connecticut Valley.—Kurt Grunwald, Bayport, L. I.

WHY Buy A... HOT SPOT Temperature System-



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1. CAN YOU TELL WHEN OIL CONTENT "KICKS OFF" BEANS?

Hot Spot system warns you before such condition begins—in time to prevent losses. Hot Spot system keeps you one jump ahead of trouble.

2. CAN YOU SEE MOISTURE TRANS- LOCATION INSIDE YOUR BINS?

Hot Spot system can—virtually "x-rays" your bins from bottom to top at every 6-foot level. By interpreting temperature changes from bottom to top of bins, you can tell if moisture pockets are forming.

3. ARE YOU FINANCIALLY STRONG ENOUGH TO TAKE THE RISK?

Hot Spot system takes risk out of bean handling. Short harvest time forces you to take uneven beans . . . green and ripe beans. And shortages of box cars puts you in storing business. Then the risk in grade slipping is yours. Without Hot Spot system, loss of grade on one bin alone would pay for system. Hot Spot system eliminates loss of grade risk.

4. CAN YOU KEEP ALL FOREIGN MATERIAL OUT?

Neither can Hot Spot. But dirt-chaff, green weeds, seeds no bother to Hot Spot system . . . that's Hot Spot's job—to let you know if and where foreign material is disturbing, threatening your beans. Warns you before damage occurs.

5. ARE YOU A GOOD MERCHANDISER ... DO YOU KNOW WHICH BIN TO SHIP FIRST?

Sure, you are or you wouldn't be in business today. With Hot Spot system you can hold longer or ship on best market advantages . . . no "scared" turnings or shipping. Hot Spot guides shipping—tells which bin should go first and when.



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Have Special Requirements? Columbian has a full range of sizes and a wide choice of equipment...

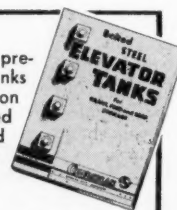
for storage of wheat, corn, oats, barley, soy beans, flax, cotton seed, peanuts, rice, coffee beans and dehydrated alfalfa under inert gas pressure.

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NEW PRODUCTS and SERVICES

GRAIN SAMPLER. Burrows Equipment Co. now offers a new grain sampler. The device is usually installed beneath the cleaner in the grain spout where the grain discharges.

It enables the elevator operator to obtain a representative sample after the grain has been cleaned, and eliminates the need for climbing up to the cleaner to obtain a sample.

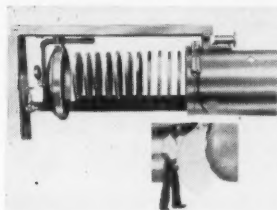


A chain with handle extends down to the work floor and by pulling down on the chain the cup, which is turned sideways, is pulled into a vertical position and held there for a few seconds to obtain the sample.

The device can be used for checking the blend when loading out, or it could be installed in the head distributor for sampling small grain.

The sampler is quickly and easily installed with a minimum of cost. For further information write Soybean Digest 10d, Hudson, Iowa.

FILTERS. New features that speed up operation and simplify recovery or disposal of filter cake are now being built into Industrial Filter and Pump Mfg. Co.'s line of horizontal filters.



These include a quick opening hydraulically operated and sealed door, and filter leaves that lift out and snap back into place without bolts. An optional vibrating attachment shakes off the filter cake, eliminating the need

for scraping or shaking by hand.

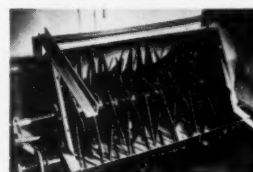
For full details write Soybean Digest 10F, Hudson, Iowa, and ask for bulletin NH-155.

BAG CLOSER. The Dave Fischbein Co. has announced an improved model electric portable bag closer which will accommodate virtually every bag in use by industry.

The new Fischbein Portable will close from the lightest to the heaviest textile or paper bag, whether asphalt treated or specially processed, with no change in parts or adjustments, according to the manufacturer.

For further information write Soybean Digest 10c, Hudson, Iowa.

STRAW SHREDDER. A new model of "Strawmaster" has been designed especially for the small combine,



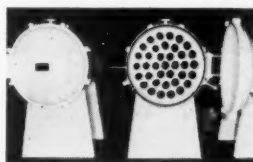
and is already finding wide acceptance in the soybean areas of the Midwest, according to American Iron Works, Inc., the manufacturer.

The "Strawmaster" straw shredder and spreader is designed to solve the straw problem. It operates under the combine's own power, returning the straw to the soil so that you can plow right after combining.

"Strawmasters" are now available for all makes of combines, both large and small. They perform a very important function, aiding the return of the straw to the soil as valuable humus and enriching the soil for greater yields.

For further information write Soybean Digest 10b, Hudson, Iowa.

FILTERS. Industrial Filter & Pump Co. is introducing a new line of tubular filters. They were designed to bring simplified operation and very low maintenance to smaller filtering problems.



Their major advantages are: Lines are easy to replace and inexpensive. They are ideal for intermittent or continuous operation. Solids can be recovered in dry form. Chamber can be emptied without losing cake. No unfiltered "heel." Can be used with or without precoat. Unusually simple maintenance.

Many of the conveniences are due to an unusual flow system. For further information write Soybean Digest 10e, Hudson, Iowa.

SOIL MOISTURE. New literature describing simple and reliable methods of measuring moisture content and salt or fertilizer content of soil is now available from Industrial Instruments.

Theory and actual procedure methods are described in detail in the new literature. In addition, a complete listing of indicators, soil blocks, and automatic irrigation control equipment is cataloged.

Free on request. For further information write Soybean Digest 10a, Hudson, Iowa.

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GRITS and FLAKES . . . from the World of Soy

New Soybean Division

President Charles H. Bell of **General Mills** announced that the company's soybean operations which are now part of the chemical division was established as a separate division effective Oct. 1.



Sewall Andrews

The change means that soybeans which are processed at Belmond, Iowa, and Rossford, Ohio, and the fatty acid operations, located at Kankakee, Ill., each received division status. Fatty acids and specialty chemical products continued as the chemical division.

The reorganization was recommended by Sewall Andrews, for the past two and one-half years manager of the chemical division, and Arthur D. Hyde, vice president and administrator of mechanical and chemical operations.

Andrews is general manager of the new soybean division. In a bulletin announcing the new unit, President Bell praised Andrews for his leadership as general manager of the chemical operations and noted the improvements that have taken place in Kankakee operations under his leadership.

Bell announced the appointment of William D. Mitchell as general manager of the chemical division.

For the past 20 years Mitchell has been associated with the Pennsylvania Salt Co., most recently as vice president in charge of operations.

Heads Seedburo Co.

Rex Yocum, sales manager, **Seedburo Equipment Co.**, has been named president of the firm to succeed I. B. Phillips who resigned from this post. Seedburo is supplier of grain testing and handling equipment in the United States and approximately 45 foreign countries.



Rex Yocum

Mr. Yocum has been with the company for the past eight years and has been in charge of sales for the last three years.

Opens New Office

The newly formed grain marketing division of the **United Co-Operatives of Ontario** opened its office Sept. 6 at 150 Wellington St. West, Chatham, Ontario, under the management of Howard Pitz.

The new division will market Ontario corn, wheat, soybeans and navy beans, purchasing from member co-operatives and independent dealers

and selling to the milling, processing and export trade.

United Co-Operatives is owned and controlled by 50,000 Ontario farmers.

New Springfield Firm



Eric Nadel



Jasper Giovanni

Operation of the soybean processing plant of **Illinois Soy Products Co.**, Springfield, Ill., has been taken over by the joint partnership of Jasper Giovanni, formerly with Decatur Soy Products Co., Decatur, Ill., and Eric Nadel of Illinois Soybean Products Co., the two men announce.

The firm will be operated under the name of the Illinois Soy Products Co. It will continue doing business with no appreciable change in its management and operations.

"By this consolidation of business operations of both the Decatur and Springfield mills, we feel that an improved and uninterrupted service to our many faithful customers will be assured," states the announcement.

Allied Mills Promotes

Allied Mills, Inc., has announced the promotion of William Wallace, formerly assistant salesman in their southeastern Pennsylvania area, to assistant director of sales training. He will be located at the sales training offices on Allied Mills Research Farm, Libertyville, Ill.

A native of Pennsylvania, Mr. Wallace brings to his new duties experience in company store management and field sales. Since coming with the firm in May 1947, he has worked in managerial and supervisory capacities with several of the Allied Mills' Sunshine Stores.

Mr. Wallace will be responsible for followup on territory develop-



William Wallace

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capacity exceeds
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per year

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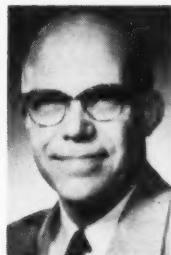
BLAW-KNOX COMPANY

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ment plans, supervise field training and share in presentations at the Allied Mills training conferences and retail sales forums.

USDA Collaborator



D. H. Wheeler
Agriculture.

Dr. D. H. Wheeler, principal chemist at **General Mills**, has accepted an invitation to become a collaborator to the Southern Utilization Research Branch of the Agricultural Research Service, U. S. Department of

Agriculture. Dr. Wheeler will assist the Southern Regional Laboratories by examining its vegetable oil and pine gum programs, offering suggestions and comments about the work. He will spend several days each year at New Orleans and Olustee, Fla., where the Regional Laboratories carries out its utilization research of vegetable oils and pine gums.

In 1951 Dr. Wheeler was chosen to deliver the Joseph J. Mattiello Memorial Lecture for his "outstanding contributions to science."

He has authored nearly 30 papers

on the chemistry of vegetable oils and fatty acids. In 1947 he was named one of the nation's 10 ablest fats and oils chemists in a poll sponsored by the Chicago section of the American Chemical Society.

Dr. Wheeler joined the General Mills research laboratories in 1943.

Heads Mrs. Tucker's

The election of Claude T. Fuqua, Jr. as president, succeeding W. S. Dorset, who is retiring, and the appointment of James A. Stillwell as successor to Roy C. Sewell, sales manager, resigned, has been announced by **Mrs. Tucker's Foods, Inc.**, manufacturers of Mrs. Tucker's Shortening, Meadolake Margarine and other vegetable oil products, with general offices in Sherman, Tex.

Mr. Fuqua is a director and long-time executive of Anderson, Clayton & Co., of which Mrs. Tucker's Foods, Inc., is a division. He has been executive vice president of the latter firm since 1952, concentrating on planning, production, and development of Mrs. Tucker's expanding operations, including the company's new Midwestern plant in Jacksonville, Ill.

W. S. Dorset, retiring president, will now devote his time to his extensive private interests. As-

sociated with him will be Roy C. Sewell. Both men will continue as members of the board of directors of Mrs. Tucker's Foods, Inc., and Mr. Dorset as director of Anderson, Clayton & Co.

Acting sales manager, James A. Stillwell, has been with Anderson, Clayton & Co. as a marketing executive since World War II. He has been a vice president and director of Mrs. Tucker's Foods, Inc., since its merger with Anderson, Clayton & Co. in 1952.

A-C Appointment

Robert S. Reaves is appointed assistant to the vice president, director of engineering, tractor group, **Allis-Chalmers Manufacturing Co.**, Milwaukee, Wis.



Robert S. Reaves

Reaves, who succeeds Harold W. Schudt, now president of Canadian Allis-Chalmers, Ltd., an Allis-Chalmers subsidiary, joined the company as a student engineer in October 1935. He

has assisted in designing the present line of Allis-Chalmers farm implements.

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George K. Dahlin, *President*

Changes by Swift



H. F. Lester



N. P. Noble

Three **Swift & Co.** oil mill personnel changed positions recently, it was announced by Scott Cramer, head of the company's oil mill department.

Nelson P. Noble, manager of the Swift soybean mill in Champaign, Ill., has retired on pension, climaxing 38 years of service with the company. A native of Kirkland, Ill., Noble joined Swift in 1917 as a clerk in the company's Chicago office. Noble was appointed manager of the Champaign mill in 1937.



H. S. Byrd

Harry F. Lester, of the general oil mill department in Chicago, has moved to Fostoria as manager. An accountant, Lester joined Swift in 1943 at Des Moines, Iowa.

Represents Anderson

The **V. D. Anderson Co.** has appointed Paul J. Nowacki as North Central representative for the expeller and solvent extraction division, according to an announcement by D. W. Crane, sales manager.

Mr. Nowacki has been with Anderson for a number of years, serving first as research engineer and more recently as a sales engineer.

He will cover the territory formerly served by W. E. (Bill) Tench, who has accepted a position with Green Bay Soap Co. Mr. Nowacki can be reached through the home office at 1935 West 96th St., Cleveland 2, Ohio.

Southland Merges

Southland Cotton Oil Co., Paris, Tex., has been merged into Anderson, Clayton & Co., Houston, Tex.,

the firm has announced.

As a division of Anderson, Clayton, the firm will carry on its oil mill, ginning and feed business in Texas, Oklahoma, Louisiana and Mississippi.

The division will continue under management of James R. Gill with headquarters at Paris, Tex. Personnel and policies will remain as before.

Walter E. Gerard, 32, has been named feed nutritionist at the **A. E. Staley Manufacturing Co.**, Decatur, Ill. He succeeds Delmar F. Rentshler, who recently became director of feed education in the Staley formula feed sales department. Gerard has been employed for the last seven years by the Commercial Solvents Corp., Terra Haute, Ind., in technical feed research.

E. W. Lehmann, recently retired head of the department of agricultural engineering at the University of Illinois, has joined the **International Harvester Co.** as a special representative of the vice president in charge of farm implements division.

V. L. Spinney, manager of **Allis-Chalmers** New York district of the industries group since 1949, has been named manager of the central region succeeding R. L. Halsted, with headquarters in Cleveland. Halsted was recently appointed manager of the firm's processing machinery department.

P. V. Lawnick, who has been country station manager in the **Dannan Mills** organization for five years, is being advanced to head of the warehouse division. He is being succeeded in the country station post by Roy McKinzie, a salesman in the firm's feed division.

Although hard hit by the recent floods that swept New England, the agricultural chemical sales department of the Naugatuck chemical division, **U. S. Rubber Co.**, reports it has stocks in outside warehouses and will be able to make limited deliveries of most products.

New steel storage tanks, with a capacity of 40,000 bushels, are being constructed at the **Dannan Mills** elevator at Maryville, Mo. The present cribbed elevator of the company has 28,000 bushels capacity. The elevator, managed by Melvin Bullock, was built by Dannan in 1938.

The **Howe Scale Co., Inc.**, Rutland, Vt., has appointed Philip C. Cook sales manager of the newly created truck division. Mr. Cook has been associated with the materials handling industry for over 15 years. The Howe standard line of trucks will be modernized, and special

attention will be given to special application trucks for all industries.

Recently appointed territory managers in the sales division of **McMillen Feed Mills** are: Robert Stewart, southeastern Ohio; Douglas Fleming, southeastern Michigan; and Ed Wright, southeastern Wisconsin. All were assistant territory managers prior to their promotion.

Ed Tillman, who has been associated with O. H. Acom Farms, Wardell, Mo., during the past year, is building his own grain elevator at Hayti, Mo. He is putting in about 15,000 bushels storage.

James R. McDougall has been appointed to the advertising department of **Nutrena Mills, Inc.**, nationally known feed manufacturer, Minneapolis. He has completed four years of vocational agriculture instructing in Iowa schools.

Ross Brian, formerly associated with **A. E. Staley Manufacturing Co.**, has joined **Central Soya Co.** and its feed division, **McMillen Feed Mills**, as senior chemical engineer in the technical department.

Dr. James R. Allen, Jr., has joined **McMillen Feed Mills**, Decatur, Ind., as director of field service. He will be concerned primarily with poultry disease and control problems. He is a graduate of the University of Tennessee and the University of Georgia school of veterinary medicine.

A new feed mill with an annual capacity of 120,000 tons will be constructed by **Nutrena Mills, Inc.**, in Peoria. It will be equipped with the finest feed manufacturing machinery available. Jones-Hettelsater Co., Kansas City, Mo., has begun construction and feed manufacturing operations will begin by May 1.

Pillsbury Mills, Inc., has announced the appointment of John Lindau as manager of the protein department of its feed ingredient division office in Los Angeles. Mr. Lindau has been soybean meal merchandiser at the Minneapolis office since 1953.

S. Ken Tyson has been appointed assistant manager of the Chicago office of **Archer-Daniels-Midland Co.** Tyson, a 22-year veteran of the paint industry, joined ADM in April 1954 as a technical sales representative. Thomas R. Procter is manager of the Chicago office.

Three important personnel changes at **Central Soya Co., Inc.**, and its feed division, **McMillen Feed Mills** are: W. A. (Bud) Seaman, northern division sales manager, to special staff duties in the Fort Wayne office; E. P. (Al) Kovats, manager of the company's stores division, succeeds Seaman; and Ed Hugel, assistant manager of the stores division, will succeed Kovats.

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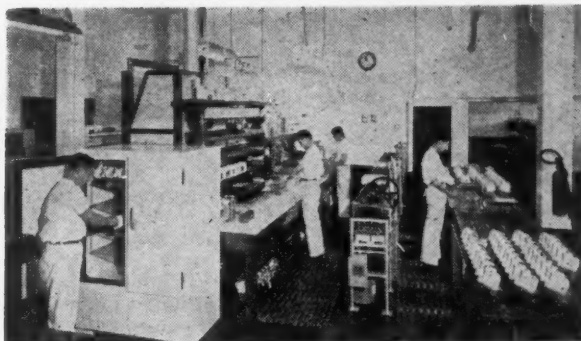
Memphis, Tennessee

Little Rock, Arkansas

Cairo, Illinois

Blytheville, Arkansas

Clarksdale, Mississippi



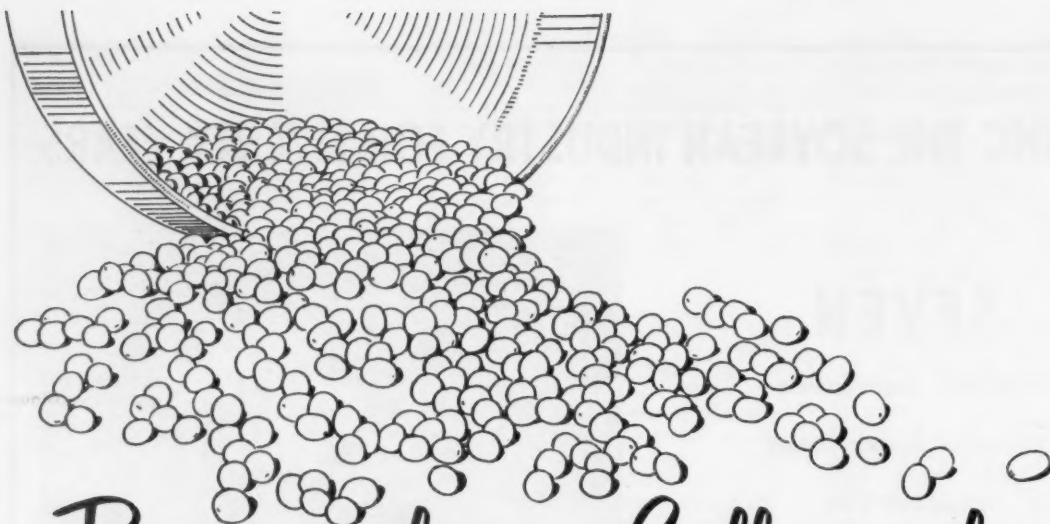
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WASHINGTON DIGEST

Somewhat Improved Price Outlook

MARKET. Officials in Washington are somewhat less bearish about the price outlook for soybeans for the marketing year just opening than they have been since early September.

Main reasons are the cutback in the crop from early estimates, and a fairly solid feeling that exports will improve some more over the new peak in shipments during the last season.

The bounce in the soybean market during late September is explained by one market authority here as a rebound from a price that went too low. This expert thinks the market will settle down, then work gradually downward to another low point, but several cents a bushel above the previous one. He thinks soybeans were too low in early September.

He anticipates a price for the season of around \$2.15 a bushel, or higher. His reasoning is that the crop this year, though still a record, is not a burdensome one; and that the September low in prices was way out of line with historic increases in use of soybeans when prices fall.

Also, there is some expectation here that the October crop report may indicate some further drop in size of the soybean harvest.

OUTLOOK. This is the way USDA officially sizes up the soybean supply and probable use for the coming season, based on data before the October crop report was issued:

Carryover of old crop beans is estimated at approximately 5 million bushels, making a total supply, using the September crop estimate, of 293 million bushels.

Of this, something like 270 million bushels are expected to be crushed; around 30 million bushels used for feed and seed. This would leave 93 million bushels of the estimated

total supply available for export and carryover.

"Exports are expected to rise well above the 1954-55 record of about 60 million bushels," says the September issue of Fats and Oils Situation issued by Agricultural Marketing Service, "and the carryover on Oct. 1, 1956, is not likely to be excessive."

While officials are not making public an official estimate of exports at this time (until more crop information is available) they think 75 million bushels is a pretty solid guess of probable export demand unless the situation changes considerably.

"CCC is not expected to carry into the new crop year much, if any, soybeans," says the report. "As of early September, the Corporation had sold about 12.5 million bushels, over 4 million of which were for export. CCC now has less than a million bushels, and these have been offered for domestic or export sale at market price."

Supplies of all food fats in the marketing year started Oct. 1, says AMS, will be about the same as a year ago. The increases in soybean oil and lard in prospect offset a sharp reduction in stocks.

EXPORTS. Evidence of a good export demand for vegetable oils may be one of the reasons for the recent spurt in soybean prices.

USDA has had under negotiation for some weeks export of around 70,000 tons of food fats to Latin American countries. Of the total, it's understood Argentina was to take about 50,000 tons.

Now, it's believed, the figure on probable total shipments may be higher than the original calculation of 70,000 tons.

The Argentina deal was left hanging in the air when President Peron was ousted from the country and a



By PORTER M. HEDGE
Washington Correspondent for
The Soybean Digest

new government organized. It is expected to go through as planned eventually, however, since the oil is needed there as food, and the purchase was not a political one.

Peru and a number of other Latin American countries also have additional quantities to import. This is another public law 480 sale permitting the foreign buyers to purchase on our market with their own currencies, and giving them a choice of fat—soybean or cottonseed oil, or lard. In most cases, it's understood cottonseed oil is desired.

OIL SUPPORT. Though processors are continuing to work for it, it becomes more and more doubtful that the proposed price support purchase program for vegetable oils will be adopted by USDA.

One reason is the continuing export demand for fats. Another is the fact that so far this season the farm price of cottonseed has been holding fairly close to price support level.

Cottonseed prices have been at or slightly above support in most Southern states, and slightly below support only in two. If prices to growers continue at or above support through the first half of October, it's very doubtful that any support buying will be needed.

This, at least, is the view in USDA. The program proposed and tentatively agreed on originally was to

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purchase vegetable oils at an agreed on price as a support measure in the event support action was needed for cottonseed.

The cottonseed crop is estimated at around 5,310,000 tons—7 percent below last year and lowest since 1950. Little oil is expected to be offered to Commodity Credit this season.

Total tenders of cottonseed oil to CCC from the 1954 crop were 226 million pounds, or 13 percent of output.

PROTEINS. The combined supply of high protein feeds for the 1955-56 feeding year is estimated by USDA at approximately 12 million tons in terms of soybean meal equivalent.

The estimate is based on September crop report figures. It's larger than the year just closing, but about the same in terms of supply per animal unit.

The method of calculating supply gives soybean meal a rating of 1, with each type of high protein feed having a factor above or below. The factors are published in the Jan. 4

Feed Situation issued by Agricultural Marketing Service.

In terms of tonnage, the combined crush of soybean and cottonseed meal this year is calculated, tentatively, at 8.6 million tons compared with about 8¼ million tons in 1954-55.

DROUGHT. An emergency feed program making certain grains and mixed feeds available at reduced cost is again in operation in 22 Texas counties because of continued drought.

Users are given certificates worth \$1 per hundredweight on the purchase price of corn, barley, grain sorghums and oats, or mixed feeds containing at least 60 percent of these grains.

The program is available only in the Texas counties. Governors of Kansas, Nebraska and South Dakota have asked for CCC aid in making corn available in these states hit by the late summer drought.

CCC hopes to be able to give these states some price help, but no big,

low-cost feed program can be expected for the area.

PROCESSORS. George L. Prichard became Washington representative Oct. 1 of the National Soybean Processors Association, succeeding Edward J. Dies who had served as economic consultant since late 1953. Mr. Dies had limited his temporary connection with the association to Oct. 1, and returned then to his own private investment affairs.

Mr. Prichard left USDA several years ago as director of the fats and oils branch to become associated with the Bureau of Raw Materials. In addition to representing soybean processors, he will also represent the National Flaxseed Processors Association.

HumKo to Build Oil Refinery in Illinois

Plans for a multi-million-dollar vegetable oil refining plant in central Illinois, possibly at Champaign, have been announced by the HumKo Co. of Memphis, Tenn.

Herbert Humphreys, board chairman, said an increased business volume makes the expansion necessary.

"Illinois provides us with a logical site for our new plant since soybean oil is one of the principal raw materials of our industry," he added.

Officials of the firm stressed that the Memphis plant, which employs about 600, will continue to operate at capacity.

Mr. Humphreys said the firm hopes to start placing orders for machinery for its Illinois plant within 30 days.

"The plant should be in full operation during the first half of 1957," said Sam Cooper, company president. "Its size will increase our present capacity by more than 50 percent. We expect to employ about 300 men and women."

He said the new facilities would contain the most modern processing equipment available for vegetable oils.

Mr. Humphreys stressed that Illinois' excellent transportation facilities will greatly benefit shipment of HumKo's finished products to the eastern half of the country. He indicated the firm is contemplating further expansion, possibly with a plant on the West Coast.

Our Apologies

Picture of M. L. Sorenson, Western Rubber Products Co., and O. H. Acom, Wardell, Mo., which appeared on page 16 of the September issue, was mislabeled in the press of getting out a big issue. It appeared as S. O. Sorenson.

Our apologies to Mr. Sorenson.

Market Street

We invite the readers of THE SOYBEAN DIGEST to use MARKET STREET for their classified advertising. If you have processing machinery, laboratory equipment, soybean seed, or other items of interest to the industry, advertise them here.

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VIRGINIA SOYBEANS—WE WILL have several thousand bushels of brown Virginia soybeans to offer, combine run or cleaned and bagged for October and November delivery. These beans are from selected seed and have grown under ideal weather conditions. (Also a few truck loads of Laredos to offer.) Call 83R3 for quotations. Jones Farm Store & Elevator, Ridgway, Ill.

FOR SALE: LEE SOYBEANS PRO-duced from certified and registered seed. Only Lee variety harvested on my farm. All seed pure with low moisture and high germination. Plant the best seed for high yields. Write Bard Selden, Hollywood, Miss.

BAG CLOSERS — FISCHBEIN Portable Bag Closers in stock for immediate shipment. Write for circular and prices. Douglas L. Mains Co., 1034 College Ave., Wheaton, Ill. Phone Wheaton 8-7474.

FOR SALE — FLAKING AND cracking rolls, meal toasters, filter presses, hammer mills, Anderson 14-inch conditioners, 36-inch cookers. Pittock & Associates, Glen Riddle, Pa.

WANTED—NUMBER 13 FORS-berg Gravity with or without motor. Advise lowest price. W. E. Reid, Box 103, Chatham, Ontario.

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FARM EQUIPMENT—BUY SUR-plus direct from government at tremendous savings. Farm tools, machinery, feed, truck, jeep, tractor. Hundreds others. List \$1.00. Box 169SAF, East Hartford 8, Conn.

IN THE MARKETS

FACTORY USE VEGETABLE OILS for June and July as reported by Bureau of the Census 1,000 lbs.)

Primary Materials: Factory Production and Consumption, and Factory and Warehouse Stocks, July 1955 - June 1955

	Factory production		Factory consumption		Factory and warehouse stocks	
	July 1955	June 1955	July 1955	June 1955	July 31 1955	June 30 1955
Cottonseed, crude	56,962	67,251	63,010	93,045	53,915	73,552
Cottonseed, refined	59,120	87,033	95,852	134,560	134,085	143,456
Peanut, crude ²	1,302	1,465	2,527	5,250	8,112	7,805
Peanut, refined	2,401	4,828	2,168	3,490	8,073	9,158
Corn, crude	21,309	23,594	21,591	24,919	12,609	12,800
Corn, refined	19,856	23,221	18,268	20,001	5,285	5,309
Soybean, crude	235,756	243,635	198,617	244,070	119,559	83,164
Soybean, refined	182,704	224,826	166,083	216,075	67,093	67,247
Coconut, crude	29,144	41,327	34,598	46,234	384,979	378,603
Coconut, refined	23,909	30,955	21,431	26,402	12,760	10,174
Vegetable foots (100% basis)	14,470	20,097	10,580	15,612	41,902	44,416

¹Includes 187 million pounds of refined cottonseed oil reported by respondents to the Census Bureau as owned by Commodity Credit Corp. This figure, as well as the comparable June 30, 1955, figure of 269 million pounds, includes quantities sold for export by CCC but not "lifted" but excludes quantities sold by CCC for exports and being further refined. As of July 31, CCC reported that it had removed from inventory and put in an "in-transit position to other storage" about 33 million pounds of refined cottonseed oil, all of which has been accounted for in respondents reports to the Census Bureau. ²Data on production and stocks held at crude oil mill locations collected by Agricultural Marketing Service, U. S. Department of Agriculture. ³Data for stocks of crude coconut oil are on a commercial stocks basis and do not include figures for stock piles of strategic oils.

Factory Consumption of Vegetable Fats and Oils, By Uses, During July 1955

	Edible products			Inedible products			
	Shortening	Margarine	Other edible	Soap	Paint & varnish	Lubricants & similar oils	Other inedible
Cottonseed, refined	8,968	2,479	1,680				336
Soybean, crude				60	354		1,763
Soybean, refined	27,671	5,532	11,323		6,700	30	6,411
Foots, vegetable, raw and acidulated (100% basis)				1,398	180		362
Hydrogenated vegetable oils, edible:							
Cottonseed	17,090	11,851					
Soybean	27,876	41,036					

Consumption of Primary Fats and Oils in Fat Splitting

	1955		1954	
	July	June	Jan. July Cumulative	Jan. July Cumulative
Vegetable				
Coconut, crude	2,880	2,947	21,000	4,752
Other vegetable	2,661	2,901	14,597	699
Total vegetable	5,541	5,848	35,597	5,451
Soapstocks				
Vegetable foots	7,552	12,061	66,372	7,412
				67,528

INSPECTIONS. Soybeans, inspected by grades and percent, as reported by USDA's Agricultural Marketing Service¹

Grade	Oct.-Aug. 1953-54		Oct.-Aug. 1954-55		August 1954		July 1955		August 1955 ²	
	bu.	Pct.	bu.	Pct.	bu.	Pct.	bu.	Pct.	bu.	Pct.
No. 1	57,751	28	50,959	21	210	20	7,647	34	6,447	35
No. 2	85,837	42	128,688	52	482	45	12,089	53	9,722	53
No. 3	28,912	14	47,979	19	147	14	1,907	8	1,332	7
No. 4	20,698	10	13,615	5	121	11	570	3	496	3
Sample	13,201	6	6,895	3	101	10	445	2	452	2
Total	206,399	100	246,136	100	1,061	100	22,658	100	18,449	100

¹Carlot receipts have been converted to bushels on the basis that 1 carlot equals 1,750 bushels. ²Of the August 1955 receipts, 2,350 bushels were Black, 1,750 Mixed, 350 Brown, and the remainder Yellow soybeans. Inspections of soybeans in August included 3,113,923 bushels as cargo lots, 1,210,575 bushels as truck receipts, and the balance as carlot receipts. Based on reports of inspections by licensed grain inspectors at all markets.

SHORTENING. Standard shortening shipments reported by the Institute of Shortening and Edible Oils, Inc., in pounds.

Aug. 27	3,199,110
Sept. 3	3,534,793
Sept. 10	3,915,608

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EXPORTS. U. S. exports of soybeans and soybean oil for July. Preliminary data by Foreign Agricultural Service, USDA.

Soybeans	4,435,261 bu.
Soybean oil	
Crude	570,691 lbs.
Refined but not further processed	1,294,936 lbs.
Refined, deodorized and hydrogenated	4,391,271 lbs.
Converted to a soybean equivalent basis the exports for July amounted to 5,036,179 bushels.	

Soybeans: Inspections for Overseas Export, by Ports, by Country of Destination, Aug. 19 - Sept. 16 (bushels)

	Philadelphia	Norfolk	New Orleans	Total
Belgium and Holland		93,334	1,103,783	1,197,117
Germany	74,667	36,782	148,213	259,662
Japan			968,491	968,491
Denmark	36,933	261,333		298,266
Philippines	583			583
France			37,333	37,333
Formosa			183,717	183,717
England			93,333	93,333
Korea		58,320		58,320
Norway		93,333		93,333
Wales		93,333		93,333
Total	112,183	636,435	2,534,870	3,283,488

Imports and Exports of Oilseed Cake and Meal in short tons

	Imports		Exports	
	1953-54	1954-55	1953-54	1954-55
Soybeans	13,695		60,981	220,788
Cottonseed	65,333	25,997	31,219	112,515
Linseed	617		14,019	51,157
Peanut	197		1,396	1,320
Copra	66,003	53,466		
Others	21,640	5,179	96	
Total	167,485	84,642	107,711	385,780

Agricultural Marketing Service

STOCKS. Agricultural Marketing Service's commercial grain stocks reports for close of business on Friday and Saturday preceding date of report (1,000 bu.)

	Aug. 30	Sept. 7	Sept. 13	Sept. 20
U. S. Soybeans in Store and Afloat at Domestic Markets				
Atlantic Coast	72	33	52	190
Gulf Coast	419	57	230	387
Northwestern and Upper Lake	345	317	279	407
Lower Lake	946	847	345	412
East Central	136	171	87	331
West Central				
Southwestern & Western	49	33	40	18
Total current week	1,967	1,458	1,033	1,745
Total year ago	1,478	880	846	849

U. S. Soybeans in Store and Afloat at Canadian Markets				
Total current week	0	0	0	0
Total year ago	0	0	0	0

Total North American Commercial Soybean Stocks				
Current week	1,967	1,458	1,033	1,745
Year ago	1,478	880	846	894

Primary Receipts of Soybeans in 1,000 Bushels at Important Interior Points for the Week Ending

	Sept. 2	Sept. 9	Sept. 16
Chicago	188	193	439
Indianapolis	14	78	192
Kansas City	106	39	37
Milwaukee			12
Minneapolis	380	227	206
Omaha	26	19	6
Peoria	102	166	153
Sioux City	3		2
St. Joseph	5	7	18
St. Louis	11	15	74
Toledo	43	25	130
Totals	878	769	1,269
Last year	47	40	360

PROCESSING OPERATION. Reported by the Bureau of the census for July and August.

Primary Products Except Crude Oil at Crude Oil Mill Locations: Production, Shipments and Transfers, and Stocks, August 1955 - July 1955

(All figures in short tons of 2,000 pounds)

	Production		Shipments and transfers		Stocks end of month	
	August 1955	July 1955	August 1955	July 1955	Aug. 31 1955	July 31 1955
Soybean:						
Cake and meal	458,557	493,481	487,593	494,596	69,232	98,268
Flour	10,134	9,255	10,407	9,169	2,741	3,014

Soybeans: Net Receipts, Crashings, and Stocks at Oil Mills, by States, August 1955 - July 1955
(Tons of 2,000 pounds)

State	Net receipts at mills		Crushed or used		Stocks at mills	
	August 1955	July 1955	August 1955	July 1955	Aug. 31, 1955	July 31, 1955
U. S.	496,546	633,374	596,739	640,409	216,023	316,216
Illinois	215,772	273,784	255,303	281,990	68,465	107,996
Indiana	48,755	56,756	57,484	63,993	14,520	23,249
Iowa	113,979	131,147	111,153	108,200	73,495	70,669
Kansas	(1)	(1)	(1)	(1)	(1)	(1)
Kentucky	(1)	13,464	16,156	11,207	(1)	19,121
Minnesota	33,296	50,331	39,327	43,387	12,679	18,710
Missouri	(1)	(1)	(1)	(1)	(1)	(1)
Nebraska	(1)	(1)	(1)	(1)	(1)	(1)
North Carolina ..	(1)	(1)	(1)	(1)	(1)	(1)
Ohio	40,908	55,756	53,188	61,566	13,372	25,652
All other	43,836	52,136	64,128	70,066	33,492	50,819

(1) Included in "All Other" to avoid disclosure of figures for individual companies.

Soybean Products: Production and Stocks at Oil Mill Locations, by States August 1955 - July 1955

State	Crude oil (thousands of pounds)				Cake and meal (tons)			
	Aug. 1955	July 1955	Aug. 31, 1955	July 31, 1955	Aug. 1955	July 1955	Aug. 31, 1955	July 31, 1955
U.S.	219,494	235,756	49,112	51,751	458,557	493,481	69,232	98,268
Illinois	97,235	107,019	23,157	17,623	190,803	211,073	43,424	57,391
Indiana	21,742	23,990	2,111	6,378	46,400	51,493	3,539	9,183
Iowa	39,431	38,753	7,305	7,232	86,711	85,056	5,017	10,147
Kansas	(1)	(1)	(1)	(1)	(1)	(1)	174	(1)
Kentucky	6,021	4,086	(1)	978	12,724	8,590	761	(1)
Minnesota	13,428	14,632	4,280	3,653	30,689	33,475	2,872	2,308
Missouri	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Nebraska	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
No. Carolina ..	(1)	(1)	(1)	(1)	(1)	(1)	728	723
Ohio	18,636	21,842	3,735	4,465	41,677	48,945	2,843	4,615
All other	23,001	25,434	8,524	11,422	49,553	54,849	9,874	13,901

(1) Included in "All Other" to avoid disclosure of figures for individual companies.

SUPPLY AND DISTRIBUTION of the 1953-55 soybean crop, reported by the Agricultural Marketing Service (1,000 bu.).

	1953-54	1954-55
Carryover ¹	10,137	1,336
Production	268,528	342,795
Total supply ²	278,665	344,131
Farm use including seed for season	25,000	27,000
Quantity remaining for processing, export, or carryover	253,665	317,131
Disappearance through July 31 ³ :		
Crushed for oil or processed ⁴	187,222	210,407
Exported	38,261	51,738
Total	225,483	262,145
Balance on Aug. 1 for processing, export, or carryover	28,182	54,986

¹Stocks as of Oct. 1. ²Imports negligible. ³October through July. ⁴No allowance is made for new crop crashings prior to Oct. 1.

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OCTOBER, 1955

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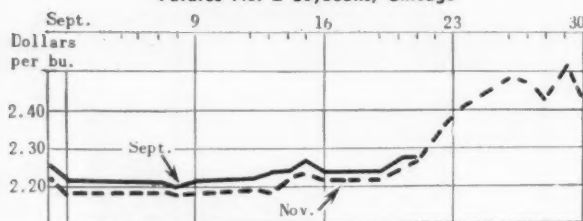
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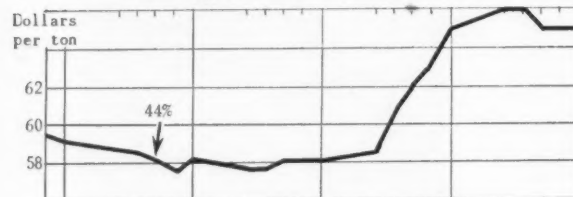
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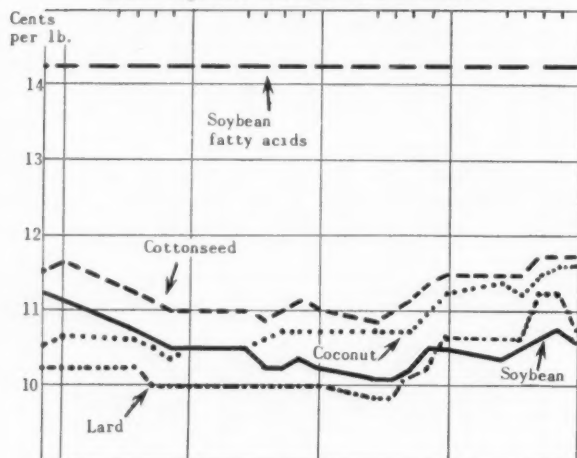
DAILY MARKET PRICES Futures No. 2 Soybeans, Chicago



Bulk Soybean Oil Meal, Decatur



Crude Vegetable Oils and Lard, Tankcars



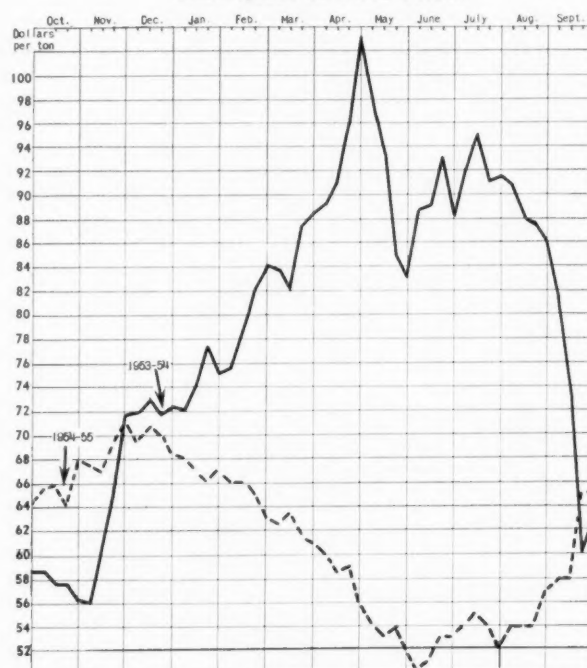
SEPTEMBER MARKETS. A sudden reversal in the bean market after months of bear psychology, with added strength in oil and meal, featured September.

Thinking in the trade had been dominated for months by prospects for a huge crop. But gradually the belief grew that yield estimates would be pared further as reports of disappointing yields rolled in and it was realized that beans just were not coming to market in the expected volume.

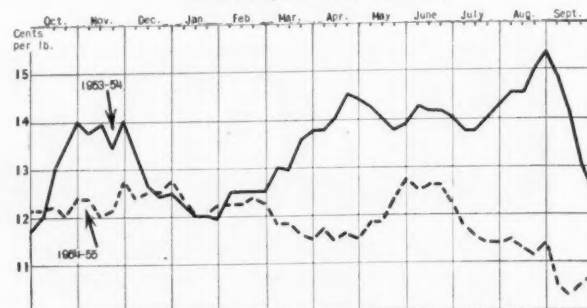
TRENDS AT A GLANCE (Weekly Close) Near Futures Soybeans, Chicago



Bulk Soybean Oil Meal, Decatur

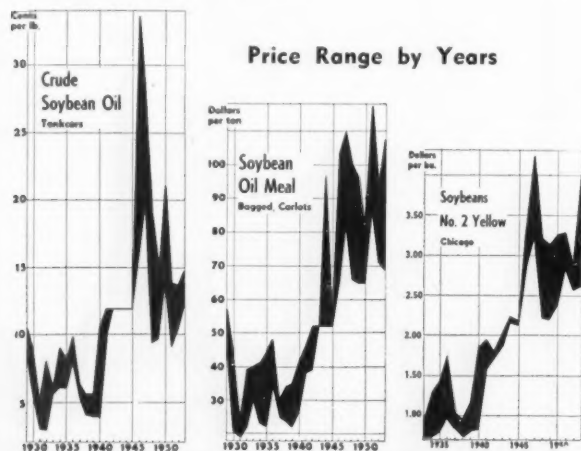



Crude Soybean Oil, Tankcars



SOAP STOCKS. Acid soybean soapstocks delivered Midwest remained at 5 cents a pound, and the raw product at 1 1/4 cents during September.

Price Range by Years





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Quality solvents. Phillips solvents leave no foreign taste, odor or color. You get a high yield of oil . . . high recovery of solvent. Because of their narrow boiling range there are no light ends to lose, no heavy residues to contaminate your meal.

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Special Products Division
Bartlesville, Oklahoma

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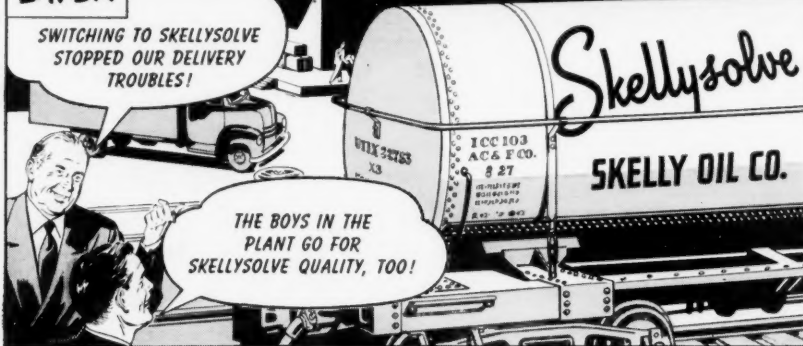


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- 2) Nine times out of ten your car is shipped the next day.
- 3) Car number and shipping

information are sent to you promptly.

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Skellysolve for Animal and Vegetable Oil Extraction

SKELLYSOLVE-B. Making edible oils and meals from soybeans, corn germs, flaxseed, peanuts, cottonseed and the like. Closed cup flash point about -20° F.

SKELLYSOLVE-C. Making both edible and inedible oils and meals, particularly where lower volatility than that of Skellysolve-B is desired because of warm condenser water. Closed cup flash point about 13° F.

SKELLYSOLVE-D. Quality solvent at competitive prices. For degreasing meat scraps, extracting oil-saturated fuller's earth, general extraction uses. Closed cup flash point about 3° F.

SKELLYSOLVE-F. Extracting cottonseed meals and other products in laboratory analytical work. Originally made to conform to A.O.C.S. specifications for petroleum ether, and for pharmaceutical extractions, where finest quality solvent is desired. Closed cup flash point about -50° F.

SKELLYSOLVE-H. Making edible and inedible oils and meals where greater volatility is desired than that of Skellysolve C or D. Closed cup flash point about -20° F.